The House met at 10 a.m.
Bishop Earl J. Wright, Sr., Greater Miller Memorial Church of God in Christ, Warren, Michigan, offered the following prayer:

Almighty God, Who hath so lavishly blessed our land, keep us ever aware that the good things we enjoy come from Thee.

We recognize Thee as Lord of our Nation. We thank Thee for a beautiful and bountiful America, for its people of all classes, colors, and creeds.

We are grateful for workers in industry, for farmers, doctors, nurses, teachers, and ministers. We thank Thee for soldiers, sailors, and airmen, who guard and protect us day and night. We thank Thee for all forms and levels of government, local, State, and national, and most especially for this, our United States Congress. We now pray that Thou will give them courage and strength to provide honest government for our Nation, abundant provisions to meet our needs, love towards each other, and peace for one another.

Forgive us our sins and accept our gratitude through Jesus Christ our Lord. Amen.

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

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

PLEDGE OF ALLEGIANCE
The SPEAKER. Will the gentleman from Michigan (Mr. WALBERG) come forward and lead the House in the Pledge of Allegiance.

Mr. WALBERG led the Pledge of Allegiance as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.
MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 365. An act to provide for a research program for remediation of closed methamphetamine production laboratories, and for other purposes.

The message also announced that the Senate had passed a bill of the following title in which the concurrence of the House is requested:

S. 793. An act to provide for the expansion and improvement of traumatic brain injury programs.

WELCOMING BISHOP EARL J. WRIGHT, SR.

The SPEAKER. Without objection, the gentleman from Michigan (Mr. CONYERS) is recognized for 1 minute.

There was no objection.

Mr. CONYERS. Thank you, Madam Speaker.

It is with great pleasure that I introduce Bishop Earl J. Wright, Sr., as the guest chaplain for the day. The bishop is very well known in Detroit, and we have known each other since the 1950s, even before Coleman Young became the first African American mayor of our great city.

He has a number of responsibilities, but the one that I enjoy bringing to the membership’s attention is that he is a founding and supporting pastor of Miller Memorial Church of God in Christ Number 2, located in Haiti. And, of course, we are honored to have his lovely and gracious wife, Dr. Robin L. Wright, who is the senior supervisor of the Church of God in Christ’s Japanese Jurisdiction. In addition to being an evangelist, she is also a writer and a great help to the bishop.

We have known each other across the years, and I remember coming to him the first time I ran for Congress, and with the late Bishop Bailey, I was able to prevail in my very first election.

The bishop has shown himself as a true disciple of Christ, relying heavily on his favorite scripture, Romans 4:21: “And being fully persuaded that, what he had promised, he was able also to perform.” He exemplifies service to his fellow man, allowing his words to always speak words of hope, spreading the good news to all. He practices evangelism that reflects Christ-like compassion to reach the world with the gospel.

Bishop Earl Wright, Sr., is a wonderful man of God, and I’m happy to know him and to welcome him to the floor of the House of Representatives today as guest chaplain.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to 15 further requests for 1-minute speeches on each side of the aisle.

DOD AUTHORIZATION CONFERENCE REPORT AND ITS SUPPORT OF OUR WARFIGHTERS

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

Mr. WALZ of Minnesota. Madam Speaker, today the House will consider one of the most important pieces of legislation that we have worked on this year: the Defense authorization conference report. It includes provisions to restore our Nation’s military readiness as well as protecting our troops.

This critical bill restores our military readiness by authorizing $1 billion for the Strategic Readiness Fund that will require an in-depth status of our forces, especially our National Guard, and requires a plan to reconstitute that force.

This legislation offers assistance to our most precious and important resource: our warriors and their families who sacrifice so much. It provides a 3.5 percent pay increase for service members and prohibits increased health care fees while improving the health care system. The bill addresses the growing needs of our troops that require care in traumatic brain injury, post-traumatic stress disorder, other mental health conditions, tuition assistance programs, and also authorizes a unique program that was started in my State of Minnesota to the Beyond the Yellow Ribbon to reintegrate our forces back to civilian life.

Madam Speaker, I am proud that this Congress will pass legislation this week to provide our troops with the resources and health care benefits they deserve and protect our Nation’s readiness.

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 73. That is 73 days since the start of the new fiscal year. Our veterans still do not have access to the increased funding provided in a bill that passed the House and Senate months ago and the President is waiting to sign.

This bill includes increased funding to improve access to medical services for all veterans, new initiatives for mental health and PTSD, increased funds for improved medical facilities, and increased funding to assist homeless veterans, to name a few.

The Democrats have refused to move the bill forward while our veterans have been operating on an extended shoestring budget since October 1, and 2 days from now the current budget will expire.

If the Democrats are acting in good faith and in the best interest of our Nation’s veterans, why have they continued to delay this bill, and why do they now intend to use our veterans to pass an end-of-the-year omnibus spending package?

The veterans bill could be passed and sent to the President and signed today. I am calling on the Speaker to move the bill forward, and I call on all Americans to contact their Representatives to tell the Democratic leadership to send a clean veterans appropriations bill to the President now.

THE STUDENTS OF NORTHPORT HIGH SCHOOL: TEACHING US ABOUT INVESTING IN THE RIGHT PRIORITIES

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

Mr. ISRAEL. Madam Speaker, in the closing days of this session, we are going to debate our key priorities, whether we should invest more in researching illness and disease or whether we should cut funds.

I hope we will learn the lessons about the right priorities from a group of high school students in my congressional district at Northport High School. Two of their teachers, Mr. Pendergast and Mr. Deutch, were afflicted by ALS. Lou Gehrig’s disease. ALS strips people of their ability to speak, to swallow, to walk, and in many cases to breathe independently.

Now, these students could have ignored their plight. These students could have said it’s not my problem, not our problem. Here’s what they did: They raised over $400,000 on their own for ALS research and advocacy. They didn’t just turn away from this problem; they became part of the solution. On January 16 they are going to gather at their Midwinter Night’s Dream and raise even more money.

These students have become our teachers. I hope that we will learn their lesson about investing in the right priorities, about caring and showing compassion for those who need help. They have taught us a critical lesson, and I hope that we will listen carefully to the students of Northport High School.

FUNDING OUR TROOPS

(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, the Pentagon last week that layoff notices for Army employees could start going out the middle of this month.

“ Merry Christmas, here’s your pink slip” may sound like a harsh way to greet an employee this time of year, but this is what the Defense Department will be forced to do with civilian employees and contractors in the run-up to Christmas.
Because congressional leaders refuse to negotiate with the President to fund our troops in the field, the Department of Defense has been forced to cut spending in other areas in order to pay the bills for continued operations in Iraq and Afghanistan. Even as our troops are showing real victory gains in Iraq, the Democrat majority wishes to pull the plug by cutting the funding to support their mission.

I believe we’re sending exactly the wrong message to the men and women who serve in our Armed Forces: not funding our troops. Each day that goes by without such a bill is a failure of the leadership of this dysfunctional Congress.

DEMOCRATIC ACCOMPLISHMENTS

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

Mr. COSTA. Madam Speaker, when the Democratic Congress was elected last November, we pledged to enact measures to protect and support our military troops and veterans. Since taking office, we have honored that promise by passing important legislation.

This year, the House has passed the largest increase for veterans health care in the history of the Veterans Administration, has made major improvements in equipment and training, including protecting the mine resistant ambush protected vehicles that reduce the strain on our servicemen and women and protect them in Iraq and Afghanistan.

Today, we continue that commitment by passing the Defense authorization conference report, which includes a much-needed 3.5 percent pay increase for our troops, improves military health care, and requires a report on the current state of readiness for our forces, which are stretched very thin.

Madam Speaker, this Congress has a proud record this year of supporting our troops and veterans. I hope all of our colleagues will join in continuing these efforts by supporting the Department of Defense authorization conference report.

On Veterans Day and Memorial Day, we honor those who have served and given their lives. This vote today honors those who serve us every day. I urge the President to sign this legislation once it has passed the Congress.

AMERICAN FAMILIES NEED REAL LEADERSHIP FROM CONGRESS, NOT MORE POLITICS

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

Mr. BOUSTANY. This week, the Democratic leadership will unveil a half-trillion-dollar spending bill because they are unable to complete their constitutional responsibility. This half-trillion-dollar spending bill follows a failed energy bill that did nothing to increase our domestic supply of energy and failure to come up with a new farm bill.

Families across America are paying higher energy costs, they’re bearing the burden of higher costs of living, and they are paying more for their health care. We in Congress have a responsibility to them. Furthermore, the Treasury Department warns the American people if Democrats will tax millions of Americans with the AMT, with their so-called AMT fix.

The American people want results, not politics. Let’s finish the farm bill to provide some stability to our food producers and an energy bill to address the uncertainty and fluctuating prices.

Finally, let’s be diligent with Americans’ hard-earned money with responsible spending. Let’s put politics aside, let’s get our re-election done, and let’s give American families the results which they can be proud of.

U.S. MINT COMMEMORATIVE COINS

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

Mr. SNYDER. Madam Speaker, proclamations and commemorations are a wonderful part of the job that we are blessed to have. Elevation of certain historic events so that they are remembered and respected, particularly by our young people, is so important.

No one in Arkansas is unaware of the significance of the desegregation of Little Rock Central High School in 1957. No one in America should be unaware of the courage of the Little Rock Nine. That courage is celebrated in one of the two commemorative coins that are part of the U.S. Mint collection this year.

Now, I come here this morning to let you know if you don’t have your order in by December 14, which is the end of this week, you won’t be able to order the coins from usmint.gov, or call 1-800-USA-MINT. For you folks on the Hill, the Mint is having their annual Holiday Hill coin sale in Rayburn 2220, where you can buy this coin, and also the wonderful coin sponsored by the late Representative Jo Ann Davis honoring the 400th anniversary of Jamestown. Usmint.gov and you, too, can send these as great holiday gifts.

CONGRESS, LET’S GET TO WORK

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

Mr. WALBERG. Madam Speaker, growing up, my mother taught me that two wrongs don’t make a right. For months, Congress has failed to meet its budget deadlines, and now House leadership is trying to make up for the inefficiency with a massive pork-filled spending bill to fund our Federal Government. This is inside-the-beltway political gamesmanship.

Americans want change, and I came to Washington to fight the status quo. House leadership is essentially blackmailing the American people by saying it will only support our troops and veterans if they fund wasteful, deficit-spending initiatives are funded. With high gas prices, rising health care costs and economic insecurity, the last thing Michigan families need is more out-of-control government spending. People in Michigan don’t know higher spending equals higher taxes, which is the last thing our hardworking families need.

Let’s get to work, give our troops fighting the war on terror the resources they need, support our veterans, and show true fiscal restraint with taxpayer dollars by keeping spending in check.

ENERGY INDEPENDENCE AND SECURITY ACT

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

Mr. SIRES. Madam Speaker, last week, congressional Republicans refused to join us in supporting energy legislation that will provide real relief to the American consumers. Instead, Republicans once again showed that they have no problems doing the bidding of both Big Oil and the utility companies.

For too long, Washington has dragged its feet, denying that there was actually an energy problem. This new Democratic Congress is taking our Nation in a new direction. Our energy security plan is about producing more clean and renewable sources of energy here in the United States. Over the next 10 years, this bill will create 10 million new green jobs by investing in renewable energy incentives for solar, wind, biomass, and geothermal technology. This investment will not only be good for our economy, but it will also help reduce our dependence on foreign oil and will allow us to finally address global warming.

Madam Speaker, this House has acted. Now it’s time for the Senate and the White House to acknowledge our energy problems and join us in supporting this important legislation.

EARMARKS

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

Mr. FLAKE. Madam Speaker, at some point this week, Congress is going to consider a massive omnibus spending bill that rolls the 11 remaining appropriation bills into one enormous bill. I wish I could take the floor today and talk about what’s in the floor bill, but I can’t, because I have no idea. I’m far from alone. Save for a few Members of leadership, all of us are in the dark.
about what could be in this massive bill that we’re going to be voting on in just a matter of hours. With the likelihood of thousands and thousands of earmarks in the bill, our constituents deserve a process that, at the very least, Members have an opportunity to read before we vote on it.

Now, the majority argues that such tactics are no more egregious than those that Republicans employed during our years in the majority. That may be true, but I would remind my colleagues that one of the reasons we find ourselves in the minority today. This institution deserves far better.

**SUBPRIME MORTGAGE FORECLOSURE CRISIS**

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LORETTA SANCHEZ of California, Madam Speaker. I rise today to express concern about the ongoing subprime mortgage foreclosure crisis and the administration’s “plan” to address this crisis.

The administration proposed a 5-year interest rate freeze, something that should have angered the investor community. I should know; before I came to Congress, I was an investment advisor. But the investor community was not upset. We ask, why? Well, the reason why is that the voluntary rate freeze will only apply to a small number of the subprime loans that are in danger of default and foreclosure. The Center for Responsible Lending estimates that the administration’s plan will affect 7 percent of subprime borrowers.

This plan is based on the unrealistic belief that the subprime market failure will cure itself. Real leadership is needed to help homeowners and the United States economy. The President needs to show support for the House-passed legislation that provides additional options for borrowers in distress and strengthens the regulation of the mortgage lending practices.

**MURDER IN THE NAME OF RELIGION—CANADA**

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

Mr. POE. Madam Speaker, freedom of expression is under attack in our neighbors to the north, Canada. Yesterday, a 16-year-old girl was strangled to death by her father in Toronto, Canada. The reason for the homicide? The girl refused to wear the traditional Muslim head scarf, the hijab.

Her school friends said that she wanted to be more “western,” but her devout Muslim father wouldn’t have it. But she would leave school and change into western clothes. School officials said that she was an energetic and popular student, but she lived in fear of her father. Her father has been charged now with murder, and her older brother has been charged with accessory to the crime.

This is yet another example of religious freedom gone wrong. In a society that values freedom and tolerance, this kind of behavior by an individual is unacceptable. Her father needs to be prosecuted and sent to prison. His actions are not acceptable in our culture. No one has the natural right to murder their children in the name of religion.

And that’s just the way it is.

**NATURALIZATION APPLICATION BACKLOG**

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

Ms. SOLIS. Madam Speaker, today I rise to discuss the naturalization application backlog at the United States Citizenship and Immigration Services Agency, known as USCIS.

In July 2007, the Bush administration raised the naturalization fee application by 66 percent, from $400 to $675. The fee increase was meant to improve the process of these applications. Yet, recent reports state that the USCIS is months behind in scheduling, so they aren’t even beginning to process these applications.

The Department of Homeland Security estimates it will take 16 to 18 months to process these applications that have been filed by June 1, 2007. These delays are going to hinder hundreds of thousands of people from exercising their vote to be a part of history, the Presidential elections that are coming up in November. How abysmal this is for us to give that information to so many people who are playing by the rules, who are waiting in line to become U.S. citizens. These are people from across the world waiting in line. We have to do something. I urge my colleagues to step up to the plate.

**ALTERNATIVE MINIMUM TAX IS A LUMP OF COAL**

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

Mrs. BACHMANN. Madam Speaker, ‘tis the season to be jolly for Americans, unless, of course, you happen to be a tax planner or a taxpayer wondering if your finances are going to throw you into a sea of confusion when you file your tax return in April of 2008. Under the current tax filing mess, because the majority has failed to repeal the alternative minimum tax, the average tax increase for tens of millions of Americans will increase by over $2,000.

Children hope for candy or presents in their stocking and not a lump of coal. But since 1969, the alternative minimum tax has represented a lump of coal for millions of Americans. We should do right by the American people. Madam Speaker, and put an end to the alternative minimum tax once and for all. That’s a Christmas present every American can use.

**LET’S DO GOD’S WORK ON EARTH**

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

Mr. COHEN. Madam Speaker, last night I voted with a great majority in this House and every one but one Republican on a resolution to recognize the benefits and honor of Christmas and the Christian religion. I read that resolution and agree that Christianity is a great religion, a lot to be learned from it, and the teachings of Jesus are wonderful.

I would ask my colleagues on the Republican side who voted for this, the Members of the Senate, and the President to remember those teachings and do God’s work here in this House but for the grace of God go I, and “Do unto others as you would have them do unto you.”

The President is supposed to be vetoing the CHIP bill today which gives health care to children.

That’s not in the spirit of St. Nick or, I believe, in the tradition of the Christian religion or the Judeo-Christian religions. Nor is it in that same spirit that we would take away from people the only help with college education, health care, and for research for diseases, and for responsible fiscal policies and for taking care of God’s Earth.

I would ask that we not just pass resolutions in name, but in spirit, and we honor the great religions and do God’s work on Earth.

**MILITARY FAMILIES ARE TURNING AGAINST THE PRESIDENT’S WAR—IT’S TIME FOR A CHANGE**

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

Ms. SHEA-PORTER. Madam Speaker, over the last 6 years, more than 1.6 million American troops have been deployed to either Iraq or Afghanistan to implement the Bush administration’s military strategy. These troops and their families have really sacrificed, and now the majority of these families believe that the war in Iraq was not worth fighting.

The President won’t listen to the generals. Perhaps he will listen to the military families. According to a new poll from the LA Times, nearly six out of 10 military families disapprove of the way the President is running the war in Iraq; 58 percent of military families, in general, think we should withdraw within a year, and 69 percent of those who have been in Iraq, their families would like to begin withdrawal within the year.

These findings come just days after the Pentagon announced a temporary tour of duty extension for all active
Ms. CASTOR. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 860 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 860

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1585) to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes. All points of order against the conference report and against its consideration are waived.

SEC. 2. The House being in possession of the official papers, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on H.R. 3093 shall, and they are hereby, discharged to the end that H.R. 3093 and its accompanying papers, be, and they are hereby, laid on the table.

The SPEAKER pro tempore (Ms. DeGette). The gentlewoman from Florida is recognized for 1 hour.

Ms. CASTOR. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to my friend and colleague from Washington on the purpose of debate only, I yield the floor to my friend and the purpose of debate only, I yield the table.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. CASTOR. I yield myself such time as I may consume.

Madam Speaker, House Resolution 860 provides for consideration of the conference report to accompany H.R. 1585, the National Defense Authorization Act for Fiscal Year 2006 under the standard conference report rule.

Madam Speaker, today the Congress will promote a stronger and safer America by approving the National Defense Authorization conference report and the rule. As a member of the House Appropriations Committee, which is chaired by the distinguished gentleman from Missouri (Mr. Skelton), I am pleased to report that the committee has worked in a bipartisan manner to ensure that our brave men and women in uniform have the tools they need to keep America safe and strong.

Our military personnel and their families in harm’s way have much in past years and continue to do so. In recognition of their service, this Congress is proud to make important improvements in military pay and benefits. We have raised the pay of our brave men and women to a level beyond the levels set originally by the President. And when our brave men and women in combat are injured in the line of duty, they deserve top quality medical care. The Walter Reed scandal drew back the curtain on some of the challenges that the military community faces when it comes to serving our brave men and women when they return from the battlefield. Unfortunately, the military health care system was not providing consistent care for our wounded soldiers. So, Madam Speaker, one of the highlights of this bill are our efforts to improve assistance to wounded warriors. These provisions have been worked on throughout the year in a bipartisan way, improving the health care for our wounded servicemembers because they deserve nothing but the best.

We move beyond the “support our troops” rhetoric and enact substantive improvements to increase confidence in the quality of care that our brave men and women in uniform deserve when they return from the battlefield. This includes assistance to their very supportive families, because supporting our troops does not simply mean that you salute and send them off to war and then ask them to serve and sacrifice for our great country, but supporting our troops means that we continue to support them when they return home.

This bill improves the screening for traumatic brain injury and post-traumatic stress disorder. I am very proud to recognize the efforts of my hometown VA Medical Center, the James A. Haley Medical Center, which is home to one of the four polytrauma centers in the country where we have so many dedicated doctors, nurses and psychologists and folks in physical therapy. They are so dedicated to these brave men and women that come home with the worst injuries. But we have got to do more. And that is contained in this bill.

This bill also mandates that the Secretaries of Defense and Veterans Affairs establish a standard for rating impairments. This will address equipment deficiencies. We have all heard stories of soldiers, especially the folks in our National Guard and Reserves, who are having problems with equipment shortages and even receiving the necessary training that they need before heading off to war. In some cases, the National Guard has been unable to help in the traditional disaster response roles in their local communities due to this problem. Well, this bill tackles so that we can improve the readiness of the National Guard and Reserves so they can do their jobs safely, efficiently and effectively.

Madam Speaker, this bill also calls for greater accountability over the waste and fraud in Iraq that has been all too prevalent under this administration. This includes the troubles we have had with various contractors. As we see from the fallout of the Blackwater contracting debacles, there has been so much waste and fraud in contracting in Iraq and under this White House that we are not going to put up with it any longer. This bill substantially improves oversight of the multi-billion-dollar and sometimes sole-source contracts that have been approved during this war in Iraq.

The Armed Services Committee, under Chairman McCain, also requires additional accountability measures for Afghanistan, including a new Inspector General for Afghanistan reconstruction, as we cannot sanction the waste and fraud that has accompanied the administration’s Iraq reconstruction.

Madam Speaker, many believe that because of the White House’s preoccupation in Iraq that that preoccupation has shortchanged the focus in Afghanistan where the Taliban allowed al Qaeda to flourish some years ago and, after all, the ungoverned and dangerous tribal areas of Pakistan are just south of the Afghan border. Indeed,
just yesterday, listening to the Defense Secretary and the Chairman of the Joint Chiefs of Staff in the Armed Services Committee, it became apparent that we are not able to do as much as we would like to do in Afghanistan because of the resources that have been overwhelmingly devoted to Iraq. Well, in this bill, we direct more attention to operations in Afghanistan in addition to an Inspector General that will oversee reconstruction efforts. This bill contains a long-term plan to improve stability in Afghanistan.

Madam Speaker, many of the unsung heroes of our Armed Forces whose missions you never hear about are the brave men and women in America’s special forces. I am very proud that the headquarters of Special Operations Command is located in my hometown of Tampa, Florida, at MacDill Air Force Base. This defense bill under Democratic leadership not only fully funds our special forces but goes beyond administration’s modest request for these brave men and women, including a number of needs that were not proposed to be funded by the White House at all. Our commitment to special forces recognizes that we cannot rely overwhelmingly any longer on conventional forces in defense of our country. We have got to be smarter. We have got to be more strategic. And this bill authorizes the increases in special forces and also a new emphasis on more strategic action.

Of course, we win a struggle. It is more strategic and smarter not to go in with guns blazing but instead to work with folks on the ground to prevent any terrorist inclinations from ever developing. This bill does that. We will invest additional resources to improve education and analytical intelligence surveillance. We harness the science and technology innovation in this great country by investing in information technology and other technologies that our troops on the ground have the best technology available across the globe.

Madam Speaker, this Defense authorization bill and this rule charts a new direction for true readiness, accountability and more strategic investments to protect our national security. It improves the health care needs for our wounded warriors and does a better job of helping our families work through the unending maze of benefits and paperwork that come from caring for an injured soldier.

I urge full, bipartisan support.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Madam Speaker, I want to thank the gentlewoman from Florida (Ms. CASTOR) for yielding me the customary 30 minutes, and I yield myself as much time as I may consume.

(Mr. HASTINGS of Washington asked to be heard without objection and extend his remarks.)

Mr. HASTINGS of Washington. Madam Speaker, this rule allows for the consideration of the conference report to accompany the National Defense Authorization Act for Fiscal Year 2008. This conference report is largely bipartisan, as it should be, and is an example of what Democrats and Republicans can accomplish when working together.

This conference report contains important authorizations for increases in force protection and retains provisions of the overdue Wounded Warrior Assistance Act. By passing these provisions, we will help provide the tools needed to protect our men and women currently deployed in the global war on terror. We will be setting up the improvements needed to ensure excellence in our military and veterans care system.

There are also provisions in this conference report that are important to those that I represent in central Washington.

This conference report authorizes $29 million for the Yakima Training Center. This funding will be used to increase the size of the Army’s training space, allow for urban operation training, and support systems used by today’s斯特克斯 forces. This new range is expected to be completed in August of 2009 and will provide critical training for our active duty and Reserve Army soldiers.

In addition, I am pleased that this conference report extends the operation of the Ombudsman for the Energy Employees Occupation Illness Compensation Program Act. The Ombudsman office plays an important role in assisting workers at Hanford and other sites seeking illness compensation that they are due. I might add, Madam Speaker, this issue goes back to the Second World War when we were involved, obviously, in atomic power. Hanford, which is in my district and a county adjacent to my district, played an important part of that and those workers that worked at those sites in many cases gave the ultimate sacrifice, and worse, overseas did, but in a kind of different setting. This compensation program, I think, is very important for those that worked at the Hanford site and other sites during the Second World War.

Madam Speaker, again, I would like to stress that this conference report was achieved in a bipartisan manner, and I hope to see more bipartisan conference reports brought to the floor as Congress wraps up its business in this first session of the 110th Congress.

As the first session of the 110th Congress comes to a close, I am disappointed that Democrat leaders are still intent on micromanaging the war support the digital systems requested for all our troops on the battlefield. At a time when both Democrats and Republicans are seeing recent progress in the war on terror, this approach, frankly, Madam Speaker, jeopardizes us as unnecessary, divisive and dangerous.

If a supplemental spending bill is not signed into law soon, some Army civilian employees may get layoff notices before the Christmas holidays, and if this funding continues to be delayed, Department of Defense officials have reported that it could affect as many as 200,000 civilian employees and contractors.

Madam Speaker, I am also concerned that Democrat leaders continue to use delaying tactics to block a vote on a final bipartisan bill to fund veterans services.

This inaction is causing our veterans to lose critical funding each and every day. As I have done in the past, Madam Speaker, I will later be asking my colleagues to defeat the previous question in order to appoint conferees and quickly approve a veterans funding conference report that, again, has strong bipartisan support and which is long overdue.

With that, Madam Speaker, I reserve my time.

Ms. CASTOR. Madam Speaker, I am very pleased to yield 3 minutes to the distinguished chairman of the Armed Services Committee, the gentleman from Missouri, Mr. SKELTON. We congratulate him on his outstanding leadership in shepherding this bipartisan bill through the Congress.

Mr. SKELTON. Madam Speaker, I thank the gentlewoman for yielding to me.

Of course, I rise in support of the rule for this conference report, the National Defense Authorization Act. I will speak more at length on this issue later today after we have the privilege of passing the rule on this floor. But, I must say, Madam Speaker, that in my years of being here in the Congress, this is the most comprehensive, well thought-out and studied authorization bill that we have had. It’s excellent for this country, it’s excellent for the families, and their health care. It makes great strides in the area of readiness.

I just feel like bragging on all the members of the House Armed Services Committee on both sides of the aisle. Of course, it couldn’t be done without the crackerjack staff that we have, and we are just absolutely blessed with the dedicated staff that we have, Erin Conaton, who’s the staff director. We owe all of the members of the staff our great appreciation.

This has been months of hard work. We have a proud tradition in the Armed Services Committee as being bipartisan. It helps with the problems of readiness, including equipment, training and people. It gives an across-the-board 3.5 percent pay raise, protects them from escalating fees for health care. It includes over 100 measures, large and small, for quality of life. We combined the best elements of the Wounded Warrior Act that was passed here in the House by 426-0, as well as a conference bill that passed the Senate.

We have many parts of this bill that are new, which will help us in the area of national security all the more. I
December 12, 2007

CONGRESSIONAL RECORD—HOUSE

H15325

Mr. GINGREY. Madam Speaker, I rise in strong support of this rule and the conference report for Fiscal Year 2009 National Defense Authorization Act, and I would certainly like to commend Chairman SKELTON, Ranking Member HUNTER for standing strong throughout conference negotiations and representing us so well during these protracted deliberations.

Madam Speaker, I think it proves, as my colleague from Washington just stated, Mr. HASTINGS, that we can, when we put our heads together and have that cooperative spirit, we can do remarkable things in this Congress, and I would recommend Chairman SKELTON and his excellent staff for making that happen. Certainly, I want to thank Subcommittee Chairman NEIL ABERCROMBIE, as well as Ranking Member JIM SANTIXON, as well as all the conferees for the hard work in getting this legislation before the floor. The staff of the Armed Services Committee, as I say, deserves our thanks for their tireless efforts in support of our soldiers, sailors, airmen and marines who are bravely defending us both at home and abroad.

Madam Speaker, as we move toward adjournment, it’s essential that we pass this legislation, which covers an extensive range of issues that are so vitally important to our Armed Services. From a 3.5 percent across-the-board pay raise to an additional $17.6 billion for MRAP vehicles, mine resistant ambush protected vehicles, this legislation addresses the most pressing needs confronting the Armed Forces. This legislation addresses the most pressing needs confronting the Armed Forces. I am further pleased that the bill provides for an increase of 13,000 Army and 9,000 Marine personnel, active duty personnel, and at a time when our Guard and Reserve forces have been so heavily utilized, it appropriately includes Guard empowerment provisions.

Madam Speaker, although I do remain concerned about the overall underfunding of missile defense and the lack of support from the European allies, I am thankful that the conferees significantly restored funds for certain critical missile defense programs. I am also proud, as my colleague from Washington State made note, that the Wounded Warrior legislation is included in this conference report, which will help our injured heroes as they face challenges encountered on their long road to recovery.

Additionally, the legislation authorizes $512 million to be provided in fiscal year 2009 to enable support operations in the global war on terror, and it fittingly recognizes the dangers posed by a precipitous withdrawal from Iraq. By providing increased funding for force protection and for the repair and replacement of battle-worn equipment, this legislation authorizes the necessary supplemental funding to give our deployed soldiers the resources they need to continue taking the fight to the terrorists.

I am further very pleased with the work the committee has done this year to authorize funding of 20 F-22 Raptors, in line with the current multiyear contract. The F-22, Madam Speaker, is the world’s most capable fighter, and these funds will go a long way towards providing stability for our forces and ensuring that America does maintain air dominance for the foreseeable future.

The conference report affirms the Western Hemisphere Institute for Security Cooperation, acronym WHINSEC, as an invaluable education and training facility which the Department of Defense should continue to utilize in order to promote security cooperation with Latin American countries. I proudly serve, along with my colleague on the House Armed Services Committee, Ms. SANCHEZ from California, we serve on the Board of Visitors for WHINSEC, and have for a number of years, Madame Speaker, and know how important that is, for my colleagues to re-member that WHINSEC may be the only medium we have to engage future military and political leaders of these Latin American countries. If we were not to engage with these nations in this way, the void created would be filled by countries with different values than our own regarding democracy and, yes, human rights, countries such as Venezuela and China, whose influence in the region is growing. Therefore, I am so proud that Congress stands behind WHINSEC.

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Madam Speaker, I would like to take this opportunity to again remember those that have paid the ultimate sacrifice. This young man from my district who heroically gave his life for our country, Sergeant Paul Saylor from Bremen, Georgia, his remains were not able to be viewed for a final time upon being returned to his family 2 years ago.

Last year’s authorization bill, H.R. 5122, included a provision which requires that all medical personnel be trained in remains preservation to ensure that these fallen heroes get the respect and reverence they deserve as they are grieving so much. I would like to thank my colleagues for following up on this measure by honoring my request for a report on this program in this year’s bill, and I want to certainly take an opportunity to thank Paul’s parents, Jamie and Patti Saylor, for their help in this regard.

Madam Speaker, there is much to be proud of in this bill. I again commend Chairman SKELTON and Ranking Member HUNTER for their efforts to keep this bill focused on the needs of the warfighter. In this spirit, I urge all my colleagues in these days ahead, let’s abandon any defeatist rhetoric and any partisan bickering which only serves to demoralize our troops and, yes, to embolden the enemy. We must stand united in providing our troops every needed resource and send a strong message to these terrorists and our allies that the resolve of our great Nation is stronger than it has ever been. I urge all Members to vote in favor of the rule and the conference report.
Ms. CASTOR. Madam Speaker, I yield 2 minutes to an outspoken advocate for our brave men and women in uniform, Mr. ALTMIER from Pennsylvania.

Mr. ALTMIER. Madam Speaker, I thank the gentlewoman from Florida, and I thank the chairman for his leadership, as well as Ranking Member HUNTER.

I wanted to talk specifically for a couple of minutes about two provisions that this bill includes: first, I introduced one of them involves a bill, H.R. 1944, dealing with traumatic brain injury, which is the signature injury of the war in Afghanistan and Iraq.

What this legislation that we are voting on today says is that the Department of Veterans Affairs will treat traumatic brain injury and do screenings and treatments in a way that is much more put together than has been done in the past. It is going to create a national registry, it is going to create a coordinated network throughout the Nation that is going to help our brave men and women that are affected by TMIs.

Secondly, I also introduced an amendment during consideration of this bill dealing with family and medical leave. What this legislation does is allow family members of our brave men and women serving in the Guard and Reserve to use Family and Medical Leave Act time to see off, to see the deployment, or to see the members return when they come back, and to use that, importantly, to deal with economic issues and get the household economics in order.

This bill is going to dramatically impact people’s lives, and I am proud to have played a very small part in it. But I do want to thank the chairman and the ranking member for their leadership.

Madam Speaker, I also thank the gentlewoman from Florida for allowing me the time to speak today.

Mr. HASTINGS of Washington. Madam Speaker, understanding that the gentlewoman is prepared to close, I thank the chairman for his leadership, as well as Ranking Member HUNTER.

I do want to thank the chairman and the gentlewoman from Florida for allowing me the time to speak today.

Madam Speaker, I must ask once again my colleagues to vote “no” on the previous question in order to put partisanship and political considerations aside to do what is in the best interest of our Nation’s veterans. I see no better time than right now. By defeating the previous question, the House will send a strong message to our veterans that they have our commitment to provide them with the funding increase they need, deserve, and were promised.

Once Democrat leaders appoint conferees, the House can move forward and pass a stand-alone veterans funding bill, and it will pass with strong bipartisan support.

I ask unanimous consent to have the text of the amendment and extraneous material inserted into the Record prior to the vote on the previous question.

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

There was no objection. Mr. HASTINGS of Washington.

With that, Madam Speaker, I urge my colleagues to oppose the previous question, and I yield back the balance of my time.

Ms. CASTOR. Madam Speaker, I urge approval of the National Defense Authorization Act, H.R. 1585, and this rule. This bipartisan bill improves military readiness and demonstrates our commitment to our brave men and women in uniform, including a 3.5 percent increase for these brave folks, a 2.5 percent pay raise for these brave folks, and an expansion and great improvement in the health care provided to wounded warriors who return from the battlefield. The bill also increases oversight and restores accountability over the waste and fraud that has occurred in the war in Iraq.

Madam Speaker, this bill will make America safer and stronger. I urge a “yes” vote on the previous question and on the rule.

The material previously referred to by Mr. HASTINGS of Washington is as follows:

AMENDMENT TO H. RES. 860 OFFERED BY MR. HASTINGS OF WASHINGTON

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 the other House otherwise in the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within ten additional legislative days after adoption of this resolution.

(The information contained herein was provided by the minority Floor Manager)
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Chair may postpone further consideration of the operation of the previous question, the only.

HASTINGS). All time yielded during contest from Washington (Mr.

the purpose of debate only, I yield the

call up House Resolution 861 and ask

PROVIDING FOR CONSIDERATION

Mr. CARDOZA. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 861 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House (H. Res. 4351) to amend the Internal Revenue Code to provide individuals temporary relief from the alternative minimum tax, and for other purposes. All points of order against consideration of the bill are waived. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit.

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

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life for our children than the ones that we found ourselves. Quite simply, we should be investing in our children's future and not borrowing from it.

I strongly urge my colleagues on both sides of the aisle to make the right choice today to stand by PAYGO tomorrow, and support this commonsensical legislation.

I reserve the balance of my time.

Mr. HASTINGS of Washington.

Madam Speaker, this rule provides for consideration of a tax bill that would raise taxes permanently to give 1 year’s worth of tax relief. Let me repeat that, Madam Speaker. This rule provides for consideration of a tax bill that would raise taxes permanently to give 1 year’s worth of tax relief.

The AMT was enacted in 1969 to prevent a small number of wealthy taxpayers from using, at that time, legitimate deductions and credits to avoid paying taxes altogether. Back then, the tax affected only 155 people, the super-rich. The AMT was never adjusted to match inflation. Therefore, the AMT tax burden has increased more and more for taxpayers today. Without fixing the AMT problem, millions of taxpayers will be hit by the AMT, costing the average taxpayer about $2,900.

When Republicans gained control of the Congress, we passed legislation to protect American taxpayers from the unintended consequences of the bracket creep of AMT. Unfortunately, this measure was vetoed by President Clinton. So here we are again today trying to temporarily protect taxpayers from the AMT.

The longer we wait to fix the AMT, the longer it will take for the IRS to process tax returns under the changes in the law. That is for this tax year. As of right now, the Democratic majority’s failure to pass an AMT fix will force the IRS to delay processing tax refunds until mid-March at the earliest. This is likely to delay refunds for those Americans who currently would be subjected to the AMT but who, with the patch, would not have to pay the AMT. This comes out, Madam Speaker, to about a $75 billion interest-free loan to the Federal Government from the taxpayer and paid for by the taxpayer. I support fixing the AMT trap, but it is a tax that was never intended to occur. It is going to affect millions of Americans. But the Democrat leaders in the House are making it nearly impossible for these Americans to get just pass a bill to eliminate the tax. Stop using this tax relief bill to raise taxes by over $50 billion.

Just as disappointing as the tax increases included in the bill is tax relief that is not included in this bill, and I am talking about a particular loophole in the tax law. I am dismayed that an extension of the sales tax deduction is not in this bill, the sales tax deduction for those States that do not have a State income tax. It is a matter of fairness. The AMT fix is for 1 year. I think it is only a matter of fairness to extend the sales tax deduction for those States who don’t have a State income tax for 1 year.

I attempted to offer an amendment in the Rules Committee last night, to allow me to offer an amendment to close this loophole or adjust this loophole on the floor today to extend the sales tax deduction again to those States that don’t have State income taxes.

□ 1115

It was defeated unfortunately on a party-line vote of 2-8 with every Demo- crat voting to block allowing this amendment to be made in order, including two Members from Florida, which is one of the eight States affected by the sales tax deduction.

But there is another way. Madam Speaker, and the House will vote today on extending the sales tax deduction so it doesn’t expire at the end of the year. If you are from Washington, Florida, Texas, Nevada, Wyoming, South Dakota and Alaska, join me in voting “no” on the previous question.

I will then amend the way so we can vote to extend the deduction and modify this loophole that I was talking about and ensure that our constituents in States that do not have a State income tax are treated fairly.

Madam Speaker, I reserve the balance of my time.

Mr. CARDOZA. Madam Speaker, I would like to inquire how much time remains on my time.

The SPEAKER pro tempore. The gentleman from California has 22½ minutes remaining.

Mr. CARDOZA. Madam Speaker, at this time I would like to yield 2½ minutes to Mr. Costa from California, who has been a champion of the PAYGO rules and fiscal responsibility since the day he walked into these hallowed Halls.

Mr. COSTA. Madam Speaker, I thank the gentleman from California (Mr. CARDOZA) for yielding me this time to speak in support of this rule.

What we are really talking about this morning is do we choose the easy road of least resistance to provide tax relief with the alternative minimum tax or do we choose the more difficult road that requires fiscal discipline, that requires us to be honest with the American taxpayers as to how we are plotting our fiscal priorities for our Nation today, tomorrow and for future generations.

We are debating the Alternative Minimum Tax Relief Act of 2007. It is important tax relief for millions of Amer-icans. I support this legislation as it stands now. It is actually the second time in recent months that the House will send a paid-for alternative minimum tax relief to the Senate. It is important that we do this.

According to Secretary Paulson and the Department of the Treasury, unless we fix the AMT, 25 million taxpayers will be subject to it in 2007. That is 21 million more Americans than in 2006. It is important, I believe, and I think many of those in the Blue Dog Caucus feel as well, that we pay as we go, that we provide the PAYGO pro-vision that has been in every measure that has passed this House since Janu-ary of this year.

PAYGO was implemented by the Democratic Congress actually back in 1990. It was signed into law by the elder President George Bush, and it was part of the rules of the Congress for 11 years. PAYGO was a tool that we put in place to rein in deficits that the Fed-eral Government had experienced since the early 1970s.

This Congress pledged to reenact that pledge to the American people, to bring the Federal Government back in fiscal order. We have kept that promise since Janu-ary of this year. Every single bill that we have voted on has complied with the PAYGO rule.

It is important that we note that our current debt is $9 trillion. Enough is enough. Much of that debt is owed by foreign nations. We can pass today the Alternative Minimum Tax Act by not borrowing money from China because of this PAYGO provision. I want to thank the leadership of this House for sticking with PAYGO.

I urge my colleagues to vote for this measure, the rule and the underlying bill.

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

Mr. CARDOZA. Madam Speaker, I would like to thank my colleague from California for his eloquent comments as I say I agree with him whole-heartedly.

Madam Speaker, at this time I would like to yield 1½ minutes to the gentle-man from Oregon (Mr. BLUMENAUER), a member of the Com-mittee on Ways and Means.

Mr. BLUMENAUER. Madam Speaker, I listen to my friend from Washington repeating the same lame line from the talking points of my Republican friends.

They knew this was coming. Yes, President Clinton vetoed a flawed tax measure back in the previous administra-tion. What have they been doing for the last 6 years when they controlled everyone in Washington?

They decided not to deal with the alter-native minimum tax. They made a cynical decision to cut taxes for those who are the most fortunate in this country and be able to use this money in the budget calculations to be able to pay for these massive tax reductions. They spent this money and they count on spending this money for years to come. It is in President Bush’s budget.
We reject that cynical effort. We implored them time and time again when they were having their tax reductions to deal with the alternative minimum tax, this fiscal tsunami that is going to sweep away middle and upper middle-income Americans. They refused. They bet on the economy.

Now we are coming forward not with a tax increase but with a tax adjustment. The Federal Government will get the same amount of money; it is who are you going to benefit. We are going to save 23 million Americans from paying the alternative minimum tax, making some reasonable tax adjustments and not putting the cost of this patch on the credit card of our children.

Mr. HASTINGS of Washington. Madam Speaker, I yield myself 2 minutes.

I appreciate my friend from Oregon making his remarks. I am glad he acknowledges that President Clinton vetoed the permanent tax relief from the AMT. Let me make my points, and then I will be happy to yield.

Ever since that time, I might point out to my colleague, there has been a 1-year fix. We know that issue is coming. We know that this issue is coming and is not resolved. It hasn’t been resolved, and we know that it won’t be resolved by raising taxes on other people.

I know my friends on the other side of the aisle can say no, these are adjustments. If they are adjustments, I hope they will acknowledge with me that what I am trying to do on the previous question is to make an adjustment for those States, for the people in States that don’t have a State sales tax, to make that adjustment so they can have fairness across the board of being able to deduct sales tax from their Federal income tax. I will be making that motion, Madam Speaker, on the previous question.

I am happy to yield to my friend. Mr. BLUMENAUER. I thank the gentleman.

I appreciate we are sort of finalizing history here, and I appreciate your referring to that past.

But is it not true that for the last 6 years when you were in control, you made a decision to have other tax cuts that were financed in part by the assumption that we are going to collect this AMT?

Mr. HASTINGS of Washington. No. Reclaiming my time, the gentleman is not correct on that, because in all of the budgets that we put together, there was never a provision that said that this income was something that we would collect.

That is, by the way, in your budget. You do it with a mechanism called the reserve fund which says you have to offset.

But I will say this, and I will talk about the economic policy and tax policy. Because of the tax policies we have put in place with the tax cuts in 2001 and 2003, we have seen an extraordinarily strong economy in this country. I think that is pretty hard to refute, and so I just want to point that out to my friend.

Mr. CARDOZA. Madam Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. COOPER), a former co-chair of the Blue Dog Coalition and a great Member of this House who is committed to fiscal responsibility.

Mr. COOPER. Madam Speaker, there is no reason to make this debate more complicated than it is. It all revolves around a very simple but vitally important question: How much does the United States Government pay its bills. We think that it should. The principle is called PAYGO, pay-as-you-go. I am thankful that 31 Blue Dogs have signed a letter that said they will not vote for anything that means the free lunch mentality of the past. I am thankful that so many of our progressive friends across the caucus have similarly strong feelings. And I am thankful that our Democratic leadership has put in PAYGO, what Alan Greenspan said was the single most important domestic reform we can take.

Let’s stand for fiscal responsibility in this House. America must pay its bills.

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

Mr. CARDOZA. Madam Speaker, at this time I would like to yield 2 minutes to the gentleman from Florida (Mr. BOYD), the Chair of the Blue Dog Coalition and someone for the last 11 years who has fought hard on this particular issue to bring fiscal sanity back to our country.

Mr. BOYD of Florida. Madam Speaker, I thank my friend, the gentleman from California (Mr. CARDOZA) for leading this debate.

Let’s be very clear. I think it is well understood by the country, the fiscal recklessness of the period, the 6-year period from January 2001 to January 2007, the Congress which included record spending levels at the same time revenues were being reduced to a level that created record deficits during that period of time which are going to have a serious negative effect on the future of this country, the economy, the kind of Social Security and Medicare that our children and grandchildren will see if we don’t get under control this recklessness that has been demonstrated over the last 6 years since the 2000 Presidential election.

Madam Speaker, you have to fix those problems by, first of all, believing in some principles. And the principle that we believe in is if you are going to have a program, you ought to be able to pay for it and understand the serious consequences of the AMT and we want to fix it, but many of us believe if you are going to fix it, you are going to do it in a revenue-neutral way. That is the difference between this leadership and the 11 previous 6 years’ leadership, which says just damn the port, torpedoes, full steam ahead; tax cuts and increased spending, it doesn’t make any difference, as long as everybody is happy at the moment. Our children and grandchildren are the ones who are going to pay that bill in the end.

And I want to thank Speaker NANCY PELOSI and the majority leader, STENY HOYER, for standing tall with us on this issue of PAYGO and this particular vote on the AMT as we send another AMT, paid-for AMT to the Senate. It is a very critical time in the future of this country and how we are going to handle our fiscal responsibility.

Again, I want to thank our leader, the gentleman from California (Mr. CARDOZA) and the Speaker of the House.

Mr. HASTINGS of Washington. Madam Speaker, I am pleased to yield 2 minutes to the gentleman from Texas (Mr. SESSIONS), a member of the Rules Committee.

Mr. SESSIONS. Madam Speaker, I thank the gentleman from Pasco, Washington.

Madam Speaker, we are sitting here watching our good friends on the other side talk about all this great work that they have done, how fiscal responsibility is so important and all these problems with the country, and yet we are sitting here in the middle of December with 10 out of the 11 spending bills not even done because the Democratic majority is interested in spending record levels of money, more and more and more money and talking about tax increases, taxes that continue and keep going. ☐ 1130

And yet they want to stand up and eat both sides of that cake and talk about fiscal responsibility and how NANCY PELOSI, as our Speaker, has done such a great job.

Well, Madam Speaker, I would like to encourage my friends to go home maybe on a weekend sometime and talk to people and find out how well we’re doing. How well we’re doing is not yet well understood by the American people because we’re up here and can’t even get our work done, and yet we’re up here crowing, trying to take credit for all this great work that has been done and the majority leader is not even a negotiation with the President and the White House. No negotiation; bills that show up, 1,700 pages worth of
a bill last week that we were given 20 minutes before the Rules Committee went in.

We find out all sorts of earmarks, billions of dollars worth of earmarks, and then we have people that come down here and argue about fiscal responsibility. That’s malarky. That is ridiculous. We’re trying to get our work done, and we’re here over here standing up acting like we’ve just won the race.

The American people know the difference. The Republican Party is here to say we’re going to try and get our work done, and we’re here to show up and to try and do that work. We’re waiting for those other 10 out of the 11 bills to come to the floor. We’re waiting to be able to see those bills so that we can know what’s in the bills. And then one side stands up and talks about fiscal responsibility. Absolutely ridiculous.

Mr. CARDOZA. Madam Speaker, the gentleman who just spoke talks about malarky. I would say that his side of the aisle should know about malarky after they raised the Federal deficit over $4 trillion in the last 6 years.

I would now like to yield 1 minute to the gentleman from California (Ms. HARMAN), a member of the Blue Dog Coalition and an absolute fighter on behalf of fiscal responsibility in this House.

Ms. HARMAN. Madam Speaker, as the only grandmother Blue Dog, I rise in support of this rule and the underlying bill. I strongly support AMT relief for 55,000 taxpayers in my congressional district, and 23 million Americans nationwide. But there is a right way and a wrong way to do it. Simply providing relief to this generation while raising taxes on future generations is the wrong way.

Put another way, the $50 billion price tag for this AMT vote can either be paid for responsibly, or we can send the bill to our children and grandchildren.

In my seven terms in Congress, I have always supported fiscal responsibility and have made scores of votes that are faithful to that principle. Among them was a career-risking vote in 1993 for the Clinton budget; my vote in 1994 to cut $100 billion from Federal spending; my vote in 1997 for a balanced budget; my vote against the Bush tax package which provided unnecessary relief for the top tax bracket; and now these AMT votes.

Madam Speaker, I dedicate my vote today to my first grandson, Lucy, and to her brother and cousin, who will be born early next year.

Mr. HASTINGS of Washington. Madam Speaker, how much time remains on each side?

The SPEAKER pro tempore. The gentleman from Washington has 21 minutes. The gentleman from California has 14 1/2 minutes remaining about fiscal responsibility.

Mr. HASTINGS of Washington. Madam Speaker, I am pleased to yield as much time as he may consume to the distinguished ranking member of the Rules Committee, Mr. DREIER from California.

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

Mr. DREIER. Madam Speaker, I just don’t get it. I just can’t figure this thing out. Under the Democrats’ logic, they’re saying that we have to increase taxes to avoid a tax increase. We have to increase taxes to avoid a tax increase. That’s what the fiscally responsible thing is for us to do.

Madam Speaker, last Saturday morning I had the privilege of riding in the Glendora Christmas parade. Glendora, California, beautiful, “pride of the foothills” — they call this city. As I arrived, I happened to run into a guy called Marshall Mouw, who is a former city council member in that great city. He worked for the U.S. Postal Service for many years. The first thing he said when he looked at me is, what are you doing? I told him, we’re not victimized by the alternative minimum tax? And I told him, we have tried time and time again to do at least what’s called a 1-year patch, a 1-year patch, which would ensure that 23 million Americans aren’t going to be saddled by this problem personally. I would like to flat out renege completely the alternative minimum tax.

Now, let’s remember what the alternative minimum tax is. Back in 1969, the Democratic Congress found that there were 155 million Americans who were millionaires, and they weren’t paying their fair share of taxes. They, of course, were doing things legally. They had all kinds of investments. They were creating jobs. But they weren’t paying their fair share of taxes, so-called. And so the alternative minimum tax was put into place to go after those 155 million Americans who many believed were cheating somehow and not paying taxes.

What has happened? Well, due to bracket creep, we now see 23 million Americans. I would like to describe this, Madam Speaker, as unintended consequences. It’s one of the things that we often don’t think about in this institution when we try to pass sweeping legislation, well-intentioned but something with which we contend and to work through. If you look at the value of the currency, if you look at lots of other issues out there, we do have problems. But this notion of claiming that the last 6 years have been, how awful the last 6 years have been, I would like to remind our colleagues who continue to wring their hands over the deficit, yes, I’d like to see the deficit lower, but as a percentage of our gross domestic product, the deficit today is $31 billion lower than it had been projected in February of this year, putting it at $164 billion.

Now, people don’t often think about the fact that the United States of America has a $13.3 trillion economy, clearly the strongest, most dynamic economy that the world has ever known.

Do we have problems? Of course we do. I mentioned at the outset one of the communities I represent in Southern California, the subprime issue is something with which we’re trying to contend and to work through. If you look at the value of the currency, if you look at lots of other issues out there, we do have problems. But this notion of claiming that the last 6 years have been a living hell for all Americans is preposterous.

What we need to do is we need to make sure that we do everything that we possibly can to rein in wasteful Federal spending, make sure that we pursue opportunities to open up markets around the world for U.S. workers to be able to export into those markets, and we need to make sure that we continue cutting taxes so that we can see the kind of economic growth that we’ve been enjoying in the past. That’s why it’s silly for us to be sitting around wasting our time, wasting our time debating the fact that we should work on this so-called alternative minimum tax when we know exactly what is going to happen here.
At the end of the day, we're going to have, Madam Speaker, a 1-year patch to ensure that 23 million Americans don't face a massive tax increase. Let's reject this crazy notion that we've got before us and move ahead with what we know can be agreed to in a bipartisan way.

Mr. CARDOZA. Madam Speaker, at this time I would like to yield 2 minutes to the gentleman from Wisconsin, the distinguished chairman of the Appropriations Committee, and an absolute champion on this issue, Mr. OBERRY. Madam Speaker, I would just like to respond briefly to some of the assertions made a few minutes ago under which the Clinton administration was attacked for supposedly not correcting the alternative minimum tax problem.

I want to read from the administration's statement when the President vetoed the budget reconciliation bill, which contained the so-called AMT fix. The statement is cited as this: "At the time that that bill would have cut Medicare by $270 billion, it would have cut Federal Medicaid payments to States by $163 billion. It would have virtually eliminated the direct student loan program, it would have provided huge tax cuts, over 47 percent of the benefits would have gone to the top 12 percent of earners in the country. I think that's enough said.

If you want to understand why the Clinton administration vetoed the bill, it was not because they were against an alternative minimum tax fix. In fact, the President specifically supported it in his comments. What he objected to was using the alternative minimum tax proposal as a Trojan horse to bring in huge gifts for the most well off people in this society paid for by huge funding cuts for those in our society who were the most vulnerable. The President didn't apologize for his action at the time, and we shouldn't, either. It was the right thing to do.

Mr. HASTINGS of Washington. I yield myself 2 minutes, Madam Speaker.

Madam Speaker, I have a great deal of respect for the previous speaker, the chairman of the Appropriations Committee. He has always been one that believes that this House ought to do their work, and has worked extraordinarily hard to make sure that this House does their work on the appropriation process.

But I find it ironic that in the gentleman's remarks talking about what happened with a bill that President Clinton vetoed is because, at least the inference is there's a lot of extraneous stuff on that bill.

My goodness, how history repeats itself. We were the most vulnerable. The President didn't apologize for his action at the time, and we shouldn't, either. It was the right thing to do.

Mr. HASTINGS of Washington. I'm pleased to yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Madam Speaker, you know, we've had probably 1,100 votes that we've been here since January. In fact, January we had more work scheduled than I've seen in a long, long time because January is usually a light month. But we had all those votes, and here we are with just a few days left in this session and we haven't done a darn thing. We've been here since January. In fact, January we had more work scheduled than I've seen in a long, long time because January is usually a light month. But we had all those votes, and here we are with just a few days left in this session and we haven't done a darn thing. We've been here since January. In fact, January we had more work scheduled than I've seen in a long, long time because January is usually a light month. But we had all those votes, and here we are with just a few days left in this session and we haven't done a darn thing.

In my opinion, the accomplishments of this Congress under the Democrat leadership has been a big zero. The appropriation bills that the President wanted to sign and get through this process have not been given to him, and now you're going to come up with an omnibus spending bill right here at the end with a lot of pork in it that nobody knows what's in it, and you're going to present that to the American people and a job well done.

Well, it is not a job well done. That omnibus spending bill, if it has all that pork in it that we've heard of, the President's likely to veto, and then we're going to have to come back with another funding resolution that will take us through the end of the year into the middle of January.

So I'd just like to say to my colleagues, whom I respect a great deal, the promises that you made at the beginning of the year that you took charge of this House have not been met. We have not gotten anything done of substance, and we're going to leave here with an omnibus spending bill that may or may not be vetoed, and the American people are going to wonder what in the world's in that bill.

So I'd just like to say to my colleagues, I'd like to say a job well done, but I can't. It's been a total zero this year.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will again remind Members to address their comments to the Chair.

Mr. CARDOZA. Madam Speaker, I have the distinct honor to yield 1 minute to a member of the Rules Committee and a member of the Blue Dog Coalition, the gentleman from New York (Mr. ARCURI).

Mr. ARCURI. Madam Speaker, I thank my friend and colleague for yielding.

Mr. HASTINGS of Washington. I stand today in strong support of this rule, a rule that supports a very important bill, a fix for the AMT, that does it in a way that is fiscally responsible, which is extremely important.

When I look at the things that this House has done this year, things like appropriating money so that student loans are increased, Pell Grants are increased so that the students who go to college have additional resources, when we're less saddled for the future and when I think of the sacrifices that parents make so that they can help their children through college, so that when
their children finish college they’re not saddled with debt; those are the kind of considerations that we need to take into consideration today in fixing the AMT so that we don’t saddle our children with incredible debt in the future, that may tax the AMT and we do it in a responsible way.

So I am proud to support this rule.

Mr. HASTINGS of Washington. I re-

My time, Madam Speaker.

Mr. DOGGETT of Texas. Madam Speaker, I yield 2 minutes to the gentleman from Texas, a member of the Committee on Ways and Means and the Budget Com-

It is absurd. We need to do the same thing that we did in 1999, and that is to close the AMT loophole.

We have an obligation to pay for every dime of raising taxes.

We have a responsibility to the American people, and most importantly, to the American taxpayers, to ensure that every dollar we spend has a pay-for.

And I want to make it clear that this bill does not have a pay-for. It is a bill that increases the deficit by $700 billion in interest payments to people around the world. This year we have removed, basically, from the tax base that we had in the summer of 2001, $131 billion, by CBO’s calculations, every year.

And when we don’t pay the bills when we pass these measures, when we don’t pay for them, what are we basically doing is enacting a tax on the American people in the form of interest payments that cannot be repealed. That is wrong.

Mr. CARDOZA. Madam Speaker, I yield 4 minutes to the gentleman from Tennessee, a member of the Ways and Means Committee, a founding member of the Blue Dog Coalition and absolute champion on the issue of fiscal respon-

We need that permanent fix that this House returns to fiscal sanity, Mr. TANNER.

Mr. TANNER asked and was given permission to revise and extend his remarks.

Mr. TANNER. Madam Speaker, this rule embodies a fundamental principle of responsible stewardship of this country, and that is to live within our means and pay our bills.

There are some folks around here who apparently don’t believe the laws of arithmetic apply past the steps of the Capitol or the front door of the White House. Well, they do. And there’s some who’ve said deficits don’t matter. Well, if that was true, we’d just borrow what we need to get along and forget about it, not have any Tax Code at all. Everybody knows that that is ludicrous.

What we have witnessed over the last 72 months is something that has not occurred in the history of this country since 1776, and that is the willful and knowing plunge into debt by our con-

When they say we can pass the AMT fix and we don’t have to pay for it be-

The arguments to justify borrowing more money right now for all future generations plus us, to me, are the worst of political rhetoric.

Somebody’s going to pay this bill. We have asked the CBO, and they say if we don’t pay for it, instead of $50 billion, the interest carry, it will be $80 billion. And so it’s not unlike a credit card, and we have a Nation’s credit card here.

I think we are looking at warning signs all over the world. When people begin to talk about the dollar, when the dollar has fallen to where it is, to where people say maybe the euro is a better alternative for us right now than the dollar, that is a clear warning sign that this country cannot and must not continue down this fiscal path.

All of us took an oath to uphold the Constitution against all enemies, for-

Mr. CARDOZA. Madam Speaker, how much time do we have available to us?

Mr. CAMPBELL of California. Mr. Speaker, I’m pleased to yield 3 minutes to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Madam Speaker, you know, I find this whole debate rather perplexing. What the majority party is saying is that in order to leave people’s taxes the same, in order to leave them where they are now, they have to raise taxes on some-

What about reducing spending for pay for it? Where in this rule is the ability to have an amendment to do that?

What about reducing spending instead of raising taxes?

Now, later this week, we are likely to see a gigantic budget bill that will spend $50 billion more than last year. Where is the pay-for for that? Now, that’s a pretty clear. If you spend $50 bil-

We need that permanent fix that this House returns to fiscal sanity, Mr. TANNER.
would want to pay for it. But instead, here you’re going to leave people’s taxes alone, the same as last year, and somehow that’s a tax cut that has to be paid for? The logic is so distorted here, and the rationale is so distorted.

Let’s go ahead and spend all this extra money and not pay for it. You know that if you held the line on spending and didn’t increase that spending this year and you looked at what that did over a 15-year period, you could almost pay for repealing the alternative minimum tax completely.

\[1200\]

But, no, that is not what the majority party is doing. That is not what this rule talks about. That is not what this rule allows. This rule continues this distorted logic that says that spending more money is okay and doesn’t have to be paid for but leaving people’s taxes alone is not okay.

This rule and this proposal should both lose.

Mr. CARDOZA. Mr. Speaker, I would like to inquire from the gentleman from Washington if he has any remaining speakers?

Mr. HASTINGS of Washington. Mr. Speaker, I have no more requests for time and I am prepared to close if the gentleman from California is prepared to close.

Mr. CARDOZA. Mr. Speaker, I am the last speaker on my side and so I would like to yield to the gentleman from Washington.

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

Mr. Speaker, let’s put this thing in perspective. This Democrat tax plan essentially allows the State sales tax deduction for those States that don’t have a State income tax to expire.

Residents of States with no income tax have to be allowed to deduct their State sales tax from their Federal income tax bill. To me, Mr. Speaker, it’s a matter of fairness, which is why the Republican Congress acted in 2004 to restore the State and local sales tax deduction. This law provided tax fairness to Washingtonians and those who live in other non-income tax States for the first time in nearly 20 years.

Now, this deduction, Mr. Speaker, expires in just days, at the end of this year. But this House will have the chance to vote today, Mr. Speaker, to extend the State sales tax deduction by joining me in voting “no” on the previous question. I will then amend the rule to allow an amendment to be offered on the underlying bill to extend the State and local sales tax deduction for 1 year, just for 1 year, as a matter of fairness.

To all the Members from Washington, Florida, Texas, Tennessee, Nevada, Wyoming, South Dakota and Alaska, vote “no” on the previous question so that we can give State sales tax deduction fairness for our constituents. This is a bipartisan issue, and we can achieve an extension today with a bipartisan vote against the previous question. Our constituents deserve fair treatment; so let’s give this to them. The underlying bill that this rule makes in order is going to raise taxes by $50 billion. The very least we can do is to extend the sales tax deduction out of fairness.

Now, Mr. Speaker, let me be very clear because there has been a great deal of discussion on the floor today about PAYGO. I think PAYGO has a lot of merit. I happen to disagree as it relates to the tax plate in the underlying bill, but there has been a great deal of discussion about PAYGO. So let me make perfectly clear this previous question vote does not waive the PAYGO rule. If the previous question is defeated and my amendment is made in order, the PAYGO rule is not waived. If a Member then wants to raise, when the issue is on the floor, a point of order against that amendment, they are perfectly able to do that. My amendment does not waive the PAYGO rule.

With that, Mr. Speaker, I ask unanimous consent to insert the text of the amendment and extraneous material in the RECORD prior to the vote on the previous question.

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

There was no objection.

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

Mr. CARDOZA. Mr. Speaker, the Republicans have said that this bill raises taxes, but that’s far from the truth. Let me again, as I did in my opening, set the record straight. This bill closes tax loopholes that allow a privileged few on Wall Street to pay a lower tax rate on their income than the average hardworking American does on their income. That’s why teachers, police officers, firefighters, our Nation’s veterans, and, frankly, even us privileged that are able to serve here as Members of Congress.

Mr. Speaker, the Republicans need to make a choice today. Are they going to stand with tax cheats and hedge fund managers, or are they going to stand with the 23 million hardworking Americans who will be affected by this policy?

Mr. Speaker, the House of Representatives is united in our commitment to fiscal discipline and ensuring that government lives within its means. The Democratic Congress pledged to exercise spending restraint and to stop shouldering our country’s needs on the backs of our children and grandchildren. We strongly urge the other body, Democrats and Republicans, to have the courage and good sense to keep the promise they made to the American people to be good stewards of this trust so that we can’t pick and choose when we comply with PAYGO rules if we want to reverse the irresponsible fiscal policy of the Bush administration and the prior Republican Congresses.

By restoring budget discipline and getting back on the path to budget surpluses, we ensure America is economically strong and that we are not beholden to foreign nations such as China, Japan, Iran and Saudi Arabia whom we are borrowing this money from; that we are protecting our Social Security and Medicare programs; and that paying down the national debt is no burden that we are going to put on the backs of our children and generations to come.

With this, Mr. Speaker, I urge a “yes” vote on the rule and a “yes” vote on the previous question.

The material previously referred to by Mr. HASTINGS of Washington is as follows:

AMENDMENTS TO H. RES. 861 OFFERED BY MR. HASTINGS OF WASHINGTON

(1) In section 1, insert “and any amendment thereto” after “adopted”.

(2) In section 1, strike “and (2) one motion to recommit”, and insert “the amendment referred to in section 3, if offered by Representative Hastings of Washington or his designee, which shall have in order without intervention of a point of order except those arising under clause 10 of rule XXI or demand for division of the question, shall be considered as read, and shall be separately debateable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions”.

(3) At the end of the resolution, add the following:

SEC. 3. The amendment referred to in section 1 is as follows:

At the end of the bill add the following new section:

DEDUCTION FOR STATE AND LOCAL SALES TAXES.

(a) In General.—Subparagraph (I) of section 164(b)(5) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2008” and inserting January 1, 2009.

(b) Effective Date.—The amendment made by this section shall apply, to taxable years beginning after December 31, 2007.

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 this 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, and to upset the Speaker’s rule of January 13, 1999, which has had 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 gentleman having been recognized, the gentleman from New York, Mr. Fitzerald, who had asked the gentleman to yield to him for an amendment, is entitled to the floor.

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 not substantive legislative or policy implications whatsoever." But that is not what they have always done. Referring 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 form 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 a 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 "Americanized" states: "(Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question, the Speaker shall open the resolution to amendment and clause 10 of rule XXI. The Speaker shall then proceed to the consideration of the bill or joint resolution as ordered by the House."

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

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

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

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

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

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

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 4299) to extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes. All points of order against consideration of the previous question shall be considered as waived.

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 862 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 862

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 4299) to extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes. All points of order against consideration of the previous question shall be considered as waived.

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 862 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 862

Resolved, That upon the adoption of this resolution it shall be in order to consider in
the Democrat House leadership has decided to continue to play political games on this issue.

By engaging in this game of what I call “legislative chicken” with the Senate, the House is setting itself up for politically allowing this important program to expire, an outcome that I believe is bad for continued growth of the American economy and is an outcome that I strongly oppose.

But even if the Senate were somehow to move to dismiss this legislation, the Statement of Administration Policy regarding this legislation that was released by the Office of Management and Budget on Tuesday makes it clear that President Bush will veto this bill in its current form and that any extension of the TRIA program must be temporary and short term, include no program expansion and must increase private sector retentions.

At this time, I will submit a copy of the Statement of Administrative Policy for substantially similar legislation explaining the futility of today’s legislative exercise in the Congressional Record.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET

STATEMENT OF ADMINISTRATION POLICY

The Administration believes that the Terrorism Risk Insurance Act (TRIA) should be phased out in favor of a private market for terrorism insurance. The most efficient, lowest-cost, and most innovative methods of providing terrorism risk insurance will come from the private sector. Therefore, the Administration has set forth three key elements for an acceptable extension of TRIA: (1) the Program should be temporary and short-term; (2) there should be no expansion of the Program; and (3) private sector retentions should be increased.

The Administration continues to believe that the next reauthorization should satisfy these three key elements. However, the Administration will not oppose the version of H.R. 2761 passed by the Senate on November 16, 2007. The Administration strongly opposes any amendments that move the Senate-passed version of the bill away from the Administration’s key elements. Accordingly, if H.R. 2761 were presented to the President in the form to be considered by the House, his senior advisors would recommend that he veto the bill.

Mr. Speaker, the Senate version of this legislation is not perfect. However, I do believe that on behalf of terrorism insurance policyholders, American workers and businesses, the health of our insurance marketplace and the continued growth of the American economy, it is important for the House to stop playing games with TRIA and to pass a bill that can advance through the Senate and be signed into law by President Bush.

Mr. Speaker, I encourage all of my colleagues to reject this exercise in legislative futility so that the Rules Committee can instead bring to the floor a rule that would provide for consideration of the Senate compromise bill that the House has already received.

It’s time to stop playing games on this important issue and for the majority to finally grow up and lead to protect the American economy from the threat of terrorism.

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

Mr. Arcuri. Mr. Speaker, as a representative from New York, I can say that there is no nonsense about this. This is a critically important piece of legislation, something that is necessary not only for New York but for the entire country.

With that, Mr. Speaker, I would yield 6 minutes to the gentleman from New York, who has been a champion of this legislation, Mr. Ackerman.

Mr. Ackerman. Mr. Speaker, I thank the gentleman from New York.

I rise in strong support of this rule and the legislation, H.R. 4299, which would extend the Terrorism Risk Insurance Act, or TRIA, for 7 years.

TRIA is a vital program that has made effective terrorism insurance coverage available to this Nation by creating a Federal backstop to share with the insurance industry the burdens of losses caused by catastrophic acts of terrorism upon our country.

The certainty and stability that TRIA has provided over the past 6 years has allowed large-scale developers to plan, to secure financing and insurance and, ultimately, to build the types of multimillion- or multibillion-dollar real estate development projects in our capitalistic system, projects that shape our cities and invigorate the American economy.

With TRIA set to expire at the end of the month, I am particularly grateful that our leadership and Chairman Frank and our friends on the minority side are insisting that Congress renew this vital program before we run out of time and insurers are forced, in an act of self-preservation, to abandon our Nation’s largest projects.

This rule will allow the House to consider legislation to reauthorize TRIA for the second time in 3 months. My colleagues may recall passing H.R. 2761, the Terrorism Risk Insurance Revision and Extension Act. H.R. 2761 was a compromise bill, a tripartisan, regular order, good-faith bargaining and effective government. It sought to extend TRIA for another 15 years, added group life insurance to the program, lowered the program trigger, provided for nuclear, biological, chemical and radiological, the so-called NBCR coverage.

And most importantly, Mr. Speaker, H.R. 2761 included the so-called “reset mechanism,” which, in the wake of a catastrophic terrorist attack, lowered the nationwide program trigger and decreased the deductibles for any insurer that paid out losses after an attack on our country. This provision was and is absolutely critical to meeting the demand for terrorism insurance across our Nation, and especially in our high-risk areas.

On September 19, the House overwhelmingly passed H.R. 2761 with a bipartisan vote of 312-110. And with the clock ticking toward its expiration date, we waited for the Senate to act. And we kept waiting and we kept waiting, and we waited some more. Then, once the House had adjourned for Thanksgiving, and only once the House had adjourned for Thanksgiving, the Senate quickly passed, by unanimous consent, a shell of a bill that simply extended the program to 7 years, stripping out the key provisions that were vital and put in there on a bipartisan House-passed bill.

We believed that we would have had the opportunity to negotiate on many of the issues in a conference with the Senate, but the Senate unacceptably and irresponsibly has refused again and again to conference with the House on the Senate bill, leaving us with few, but not zero, options.

Mr. Speaker, this rule will allow the House to consider a compromised bill that accepts the Senate’s position on the extension period, as well as the Senate’s opposition to protecting us with NBCR coverage. This compromised bill, however, does stand on the House’s key priorities, the reset mechanism, group life insurance, and lower program triggers.

Passage of this rule will allow the House to reaffirm its equal role in the legislative process and reject the Senate’s take-it-or-leave-it attitude. I urge all of our colleagues to support the rule and the underlying legislation.

Mr. Sessions. Mr. Speaker, we urge the Senate to pass our legislation to be passed, also. And that’s why we’re encouraging for the House to agree to the Senate version so we can get this done before the expiration at the end of the year.

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

Mr. Arcuri. Mr. Speaker, I yield 7 minutes to my colleague from the Rules Committee, the gentleman from Vermont (Mr. Welch).

Mr. Welch of Vermont. Mr. Speaker, I am here to say thank you to the good work of the committee, Republicans and Democrats, but also for making an adjustment in the bill that is going to make a real difference to small Vermont insurers.

This bill calls for a study instead of an imposition of an obligation for the NBCR. That’s the right thing to do. Second, it lowers the trigger when the TRIA program will kick in from $100 million to $50 million. That is enormously helpful to cash-strapped companies that are on the small side.

So, I thank the chairman. I thank the members of the committee, Republican and Democrat, on behalf of small businesses and small insurance companies.

Mr. Arcuri. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Massachusetts, the chairman of the Committee on Financial Services, Mr. Frank.
Mr. FRANK of Massachusetts. Mr. Speaker, there are times when we will have arguments across the aisle. I don’t think there is any need for us to engage in that now because our differences are across the building, not across the aisle.

Let me begin by saying to the gentleman from Texas, we agree, we will not let this program die. And as the gentleman from Texas knows, he has had to sit through this on the Rules Committee three times this year, twice this past week, because we did originally think about taking the bill the Senate had passed, amending it, and sending it back. I am disappointed to say that we heard from all points that if that happened, the Senate might be so unable to function as to kill the program.

The United States Senate has perfected something I call “the strength of weakness.” They labor to do anything whatsoever, and having done it, tell people that if we ask them to change one bit of it they will collapse in a heap. It’s like the song from “MacArthur Park,” someone left the bill out in the rain, and they won’t be able to remake it because they will never have the recipe again. That’s what we keep hearing.

But, on the other hand, and here’s where I do disagree with my friend from Texas, I know we’ve had some disagreements here about the role of preemptive surrender in interbranch negotiations. I agree that if all else fails and the Senate does not act on this bill, we will have to acquiesce. I regret that. I think it would be much less good public policy than we could do if we had the normal legislative process. But I have spoken to the Senators from New York. They report to me that the Governor of New York, and the mayor of New York, and New York is not the only entity covered by this, and indeed, some of these things, they’re all universal. But people are concerned, and so we have reluctantly agreed not to endanger the chances of this if the Senate is unable to act.

On the other hand, and here’s where I differ, I am unwilling at this point to let it end without the Senate once again being given a chance to function on some of these matters. Vermont just talked about the smaller companies. The reduction of the trigger from $100 to $50 million was done unanimously. I believe, or overwhelmingly, by our committee at the request of small insurance companies who wanted to be able to insure. The argument is, if they do not have the smaller trigger, many of them would not feel able to bid on insurance for these building projects. So, I think that’s important.

We had the inclusion of group life insurance. I am afraid that in the Senate version, this is kind of the analog of the old neutron bomb; it killed people and left the buildings standing. The Senate would have us provide a provision that ensures buildings but ignores people. Well, people die in these terrorist attacks. We all remember that this Congress created a program that cost us billions of dollars to compensate those who lost their lives. Why should we not allow that to be done to the insurance system? That’s another thing we would like to have in there.

And as the gentleman from Texas knows, as has been noted by a colleague, there is a provision that was not contested in our committee that would prevent discrimination against people who are traveling to places that some companies might think inappropriate to travel, particularly Israel. There is a provision in here that says you’re not going to be penalized for, and this was brought to our attention by some of my colleagues from Florida. Not all of those are in the bill we want to send back.

Also, a reset mechanism that, obviously, it applies to New York where they’ve already had a terrorist attack. They would apply to that you don’t get only one bite at the apple if the terrorists choose to strike again. And I think the major reason for doing TRIA is to neutralize the effect that murderous thugs who wish this country and its people can have on our policies. That’s why we want terrorism insurance. This is part of national defense. This is to make it a government program as part of our defense against this activity.

But there are other parts of this where we have accepted this. Frankly, this looks like what a conference would look like if we were in a rational world where we could have a conference. We accepted 7. By the way, I will say that in the prior Congress, we only had 2.

The reason for a longer term is that this is important if people are to be able to build in our large cities and other areas that are threatened by terrorism. Because you cannot get the building without a loan, you cannot get the loan without insurance, and a 2-year timeline is obviously too short for major building projects. We accepted that. We wanted protection against nuclear, biological, chemical, radiological attacks. No one thinks that’s out of the picture. The Senate said no to it. We accepted that. So, we compromised with that.

And finally, a PAYGO issue arose at the last minute. We didn’t do it well here, and the Senate did it well, and I congratulate them for that. It was good legislating. So we accept their terms. We accept their version of PAYGO. We accept their jet-sisoning of nuclear, biological, chemical and radiological. But we would like to include group life, and we would like to accommodate the smaller companies, and we would like to have the reset mechanism.

In the end, as I said, we understand we can’t compel them, but we believe it is worth another try. Passing this bill will in no way jeopardize our ability in the end, if nothing else fails, to accept the 7 years that the Senate sent us.

But I appeal to the Members here out of an institutional concern. Let’s understand that in the end, if the Senate refuses to do certain things, they may have an advantage. But let’s not make it easy. Let’s not continue a process by which Senators can avoid tough issues. Maybe some Senator will raise some of these issues. Maybe, I know it’s “impossible” in a larger way, but the Senate would vote on some of them and Senators would have to decide if they wanted to say no, it’s okay if you can’t travel to Israel with your life insurance, it’s okay if the smaller companies are kept out, it’s okay to insure buildings but not people. Maybe it won’t work, but no harm will be done. I would also add this: In terms of the rule, nothing in the bill that we are proposing today is new except for the Senate PAYGO, and the Senate PAYGO, we all agree, I believe, is superior, given the need to do a PAYGO.

This is a bill that was voted on in subcommittee and in committee and came to the floor. It was amended in various ways. It was a bipartisan product. In the end, the vote was something like 300-plus to 100-plus when the bill passed here in the House; not unanimous, obviously, but with a lot of bipartisanship.

Everything in the bill today, with the exception of the Senate PAYGO, has already been through subcommittee and committee and the floor. But we are saying to the Senate there are important issues here, on group life, on the reset, on travel, on smaller companies. And we are simply, I hope, not ready to say to them we roll over and play dead without giving them another chance to address these issues.
it was somehow a majority decision. We asked for a conference, and we were told on a bipartisan basis over there they wouldn’t give us one.

Mr. SESSIONS. Reclaiming my time, we are not negotiating with the Senate, we are negotiating with ourselves, and I believe what that we need to do is get it done.

Now, there are reasons why the gentleman has chosen to do what he has done, I really can’t disagree with him. I realize that there are lots of things that need to be done, and it takes some period of time. We are doing the same thing with the AMT. We are trying to say, why don’t we not rock the boat because what you are going to do is put in jeopardy the ability this next year to know that they are taken care of, because what you are going to do is put in jeopardy the ability this next year to know that they are taken care of.

Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. The conference committee left out. So what we have before us, Mr. Speaker, is simply a joint product. We asked for the conference. 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over here. That is, we are going to send them and give them one more chance. But we are keeping their version over here if all else fails.

Mr. SCOTT of Georgia. In conclusion, I would just simply say that I urge that we support this rule. It is very important and timely.

Mr. SESSIONS. Mr. Speaker, I appreciate both the gentlemen from the Financial Services Committee offering their thoughts about this process. I would once again remind my friends in this great body that there is a lot of work that needs to be done after this bill leaves both of these bodies, including a signature of the President of the United States. What we do does matter and is important. But it is time we get our work done to allow the people who really do matter, and that is the people who are in the marketplace to be able to buy the insurance, to make it available and to get it ready days from now. It is time to resolve our differences. It is time to enter the real negotiation, and that is either to have a real conference where we know where people are to get it done, or to find a way to cut a deal. And, instead, to come back to this body and once again change the rechange of the change I think is a bad deal.

So we’re going to vote “no.” We would like to get the deal done, but not to continue to deal.

You see, Mr. Speaker, in the world where I come from, it is results that matter, not just reworking the work to rework the work, just like what this body is doing. What we did this year with 10 out of 11 spending bills not being done. I would remind the majority, you got a lot of work to do there, too. So that we can have the confidence of the American people that we can not only run the railroad on time, but we can make wise decisions.

I reserve the balance of my time.

Mr. ARCURI. Mr. Speaker, I would inquire from the gentleman from Texas if he has any additional speakers.

Mr. SESSIONS. I thank the gentleman, and responding to the gentleman, I have no additional speakers. Mr. ARCURI. All of our speakers have spoken, so I would reserve the balance of my time and ask my colleague if he wishes to close.

Mr. SESSIONS. I thank the gentleman.

Mr. Speaker, the conversation that has taken place today is one that was important. The Republican Party does support and thinks what the gentleman is doing is of a worthy nature. The gentleman, Mr. FRANK, has, for a number of years, not only spoken about this issue but has worked hard for its resolution. We know that if we continue to work together on issues like this, we can get things done. But getting things done is also important, and we think that a bill should have been done, an agreement should have been reached beforehand. That negotiation would not have ended because it is now time to give to the President, it is now time to give to the marketplace.

But I also recognize that this is the 44th closed rule of this session, that somebody is not really interested in what we think. That’s why we have 44 closed rules this year. So we come to the floor, once again, the Republican Party, saying, you can have it your way, with us 44th closed rule this year. But let’s get our work done. Let’s not have the American people waiting on the House of Representatives.

I know the Speaker of the House wants to do things in the way that she sees fit. But let’s get our work done. The American people are waiting. They are waiting not just on AMT. They are not just waiting on this bill that we have today. They are waiting on, like the rest of the government, the other 10 out of 11 spending bills. And I do think that the American people don’t confuse a lot of work that is being done with progress. Progress is the end result where you get something done and then say, We did our job. All I have heard all today, notwithstanding the prior arguments, and these arguments, that everybody is trying to take credit for everything. We are far short of the runway. We are far short of the runway because what we do here must be done right, but must be finished and done so that the American people and the economy can move forward.

I know this is a closed rule. If it had been an open rule, and that is okay, we understand. If it had been an open rule, we would have said, let’s get this thing done. Let’s close it. I offered an amendment in the Rules Committee the other day that said, let’s take the Senate language, let’s decide we will just accept what they have done so that we can get it done in proper timing. On a party-line vote that was defeated. So there is a reason why the Speaker wants to continue this dialogue. There’s a reason why the Speaker wants to have this other rule. I don’t understand it. But the Republican Party once again today is saying, we think it ought to be our work done. We think we should do what we said we were going to do, and we should then let the American public see what we have done and not hide things in secret.

Mr. Speaker, I urge a “yes” vote on the rule and on the previous question. I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The SPEAKER pro tempore. The question is on the resolution.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on adoption of House Resolution 862 will be followed by 5-minute votes on ordering the previous question on House Resolution 860; adoption of House Resolution 860, if ordered; ordering the previous question on House Resolution 861; and adoption of House Resolution 861, if ordered.

The vote was taken by electronic device, and there were—yeas 223, nays 189, not voting 19, as follows:

[Roll No. 1145]

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

Frankly, all we have heard lately, especially in the Rules Committee debate, is that we hold this bill today, go to the Senate, this bill is going to get vetoed by the President, and therefore the House should follow what the Senate is going to do and the House should follow what the President suggests. That is not the reason 435 Members of this House were elected. We were elected to do what we think is best for this country, and not what the Senate thinks is best, and not what the President thinks is best, but what the House of Representatives thinks is best. That is what this bill is attempting to do, give what the House of Representatives thinks is best in this important piece of legislation.

Protecting the safety and security of America is, without question, a top priority of this institution. The horrific terrorist attacks of September 11, 2001, had a devastating effect on many people in this country. The attacks also had a devastating economic effect on the commercial insurance market. TRIA has been a success. Primary insurers are able to write policies and business owners are able to obtain coverage. Stability was restored to this vital market.

If we do not act now to extend TRIA, this program will expire at the end of the month and we will be back where we started after the September 11 attacks. We have debated this bill before and the House passed a similar version in September, with the support of 312 Members. I hope that the TRIA legislation we will consider here today will enjoy the same overwhelming bipartisan support. We must not allow the threat of future terrorist attacks to endanger or close valuable businesses because they cannot afford insurance.

This is not an exercise in futility, as my colleague said in his opening, but rather an exercise in necessity.

Mr. Speaker, I urge a “yes” vote on the rule and on the previous question.

The vote was taken by electronic device, and there were—yeas 223, nays 189, not voting 19, as follows:

[Roll No. 1145]
Mr. BROWN of Georgia, Mrs. BACHMANN, and Messrs. BILIRAKIS and BURGESS changed their vote from "yea" to "nay." Ms. DEGETTE and Mr. RODRIGUEZ changed their vote from "nay" to "yea."

The resolution was so ordered.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 1585, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

The SPEAKER pro tempore. The unfinished business is the vote on ordering the previous question on House Resolution 860, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

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

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 226, nays 191, not voting 14. As follows:

**NAYS—191**

Aderholt

Buchanan

Burgess

Byers

Campbell

Cappio

Carney

Cardozo

Caster

Clarke

Clover

Costello

Courtney

Cramer

Crowley

Currie

Cuellar

Davis (AL)

Davis (GA)

Davis (IL)

Davis (KY)

Davis (LA)

Davis (MD)

Davis (NY)

Davis (VT)

Davis, E. B.

Davis, Tom

DeFazio

DeGrazio

Delahunt

DeLauro

Dicks

Dingell

Doggett

Donnelly

Edwards

Ellison

Eliseo

Engel

Esper

Estrada

Fallon

Farr

Fattah

Feller

Frank (MA)

Giffords

Gillibrand

Gonzalez

Gordon

Gonzalez

Green

Grijalva

Hall (NY)

Harken

Hastings (FL)

Hereth Sandin

Higueras

Hinohara

Hirono

Hodes

Hopen

NAYS—189

Adler

Akin

Alexander

Bauchmann

Bachman

Baker

Barrett (SC)

Bartlett (MD)

Bartter (TX)

Biggerstaff

Bilirakis

Bishop (UT)

Blackburn

Blunt

Boehner

Bono

Boozman

Bouie

Bradley (TX)

Browne (GA)

Brown (SC)

Brown-Waite, Connie

Briny

Brown, Malcolm

Buchanan

Bucay

Buchanan (IN)

Buchanan (NY)

Buchanan (PA)

Buchanan (TX)

Buchanan (UT)

Buchanan (VA)

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Buchanan (WV)

Buchanan (WY)

Buchanan (CO)

Buchanan (CA)

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Buchanan (TX)

Buchanan (UT)

Buchanan (VA)

Buchanan (WV)

Buchanan (WY)

Buchanan (CO)

Buchanan (CA)
The SPEAKER pro tempore. The previous question was ordered.

The vote was taken by electronic device, and there were—yeas 222, nays 193, not voting 16, as follows:

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 222, nays 193, not voting 16, as follows:

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December 12, 2007

CONGRESSIONAL RECORD—HOUSE

CONFERENCE REPORT ON H.R. 1585, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

Mr. SKELTON. Mr. Speaker, pursuant to House Resolution 880, I call up the conference report on the bill (H.R. 1585) to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to rule XXII, the conference report is considered read.

(For conference report and statement, see proceedings of the House of December 6, 2007, Book II at page H14459.)

The SPEAKER pro tempore. The gentleman from Missouri (Mr. SKELTON) the gentleman from New Jersey (Mr. SAXTON) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri.

MARY LOUISE MALoney (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

So the result was agreed to. The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore laid before the House the following resignation as a member of the Permanent Select Committee on Intelligence:

CONGRESS OF THE UNITED STATES,

HOUSE OF REPRESENTATIVES,


Hon. Nancy Pelosi, Speaker, House of Representatives, Washington, DC.

Dear Madam Speaker: I hereby tender my resignation from the House Permanent Select Committee on Intelligence effective at the close of business today.

Sincerely,

ALICE L. HASTINGS, Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

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pay raise, it protects the troops and their families from escalating health care fees, and includes well over 100 other measures, both large and small, regarding quality of life. It is especially important because it adopts the elements of legislation included in the legislation which passed this House earlier in the year 426-0. And I think that that, in and of itself, is a major victory for those in uniform.

It addresses readiness. It establishes a new, high level board of military officers, the Defense Materiel Readiness Board, to grapple with the growing shortfalls confronting the Armed Forces. The bill allocates $1 billion to a Strategic Readiness Fund.

The bill will bring much needed oversight to the wars in Iraq and Afghanistan. It does so by instituting new reporting requirements developed on a bipartisan basis.

The bill builds on the successful passage of fully implementing the recommendations of the 9/11 Commission. H.R. 1585 authorizes the funding required to carry forward that act by continuing, and this is important, and expanding the Department of Defense’s cooperative threat reduction programs.

One of the most important elements of this bill, in addition to the money and the hardware, is a requirement that the Department of Defense perform a quadrennial review of its roles and missions. The first time this was addressed, and the last time it was addressed thoroughly, was back in 1948 at the behest of President Harry Truman and his then Secretary of Defense, James Forrestal. The review we require in this bill causes a full examination as to where the Armed Forces are today and is truly developing the core competencies and capabilities to perform the missions assigned to it and whether those capabilities are being developed in the most joint and efficient way by the military services. Much has changed since 1948. Technology has changed and has blossomed and mushroomed, and that’s why it’s important that we update, by way of the Joint Chiefs of Staff and the Secretary of Defense, the Key West agreement that was reached back in 1948.

I am very, very pleased with this bill, Mr. Speaker. I think that history will say that this one was a comprehensive, if not the most comprehensive, Defense authorization bill that our Congress has passed in decades.

Mr. Speaker, I include in the RECORD, regarding the Key West agreement of 1948, a statement by Sam Rushie, who was the chairman of the Truman Library in Independence, Missouri.

On December 19, 1945—3 months after the end of the Second World War—President Truman issued an Executive Order that the Army and Navy Departments be unified in a new Department of National Defense. In his statement to Congress, Truman declared, “One of the lessons which have most clearly come from the costly and dangerous experience of this war is that there must be unified direction of land, sea and air forces at home and abroad, as well as in other parts of the world where our Armed Forces are serving. ‘We did not have that kind of direction when we were fighting, and we certainly paid a high price for not having it.’”

On May 13, 1946, Truman met with Secretary of War Patterson and Secretary of the Navy Forrestal and urged that the Army and the Navy reach a compromise on the problem of unification.

The President’s proposals were finally enacted on July 26, 1947, as the National Security Act, the main feature of which was the establishment of a unified Department of Defense. That same day, the President issued Executive Order 9877, an attempt to define the functions of the Army, the Navy, and the newly created Air Force within the unified National Military Establishment. However, bickering between the services continued, especially over issues that the Executive Order had failed to address specifically. Many of these issues concern the role of the Navy. The Army regarded the Navy’s Marine Corps as a rival for control of combat operations on land; similarly, the Air Force viewed Naval Aviation as an infringement on its jurisdiction over air operations.

In an effort to resolve these conflicts, Secretary of Defense James Forrestal summoned the Joint Chiefs of Staff to a meeting at Key West, Florida in March 1948. Following suggestions made by Forrestal, the Joint Chiefs of Staff submitted entitled “Functions of the Armed Forces and the Joint Chiefs of Staff,” popularly known as the “Key West Agreement.” Forrestal submitted his proposal to the President in late March. On April 21, 1948, the President issued Executive Order 9990, revoking his earlier executive order. This cleared the way for the Secretary of Defense to issue the new directive that day.

With modifications, the Key West Agreement continues to govern responsibilities within the armed forces to this day. In contrast to the broad language of the earlier executive order, Forrestal’s directive specified the primary and secondary responsibilities of each branch of the service. In a tenuous compromise, it was agreed that the Navy would not establish a strategic air component, but would become a fleet carrier plan. The Air Force would become the primary responsibility for strategic air operations and air defense. At the same time, it was agreed that the Marine Corps would be designated as a sea-based arm that would be limited in size to four divisions, and would cooperate with the Army in planning amphibious operations.

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

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

Mr. Speaker, I want to begin by very, very sincerely thanking my good friend from Missouri, Chairman SKELTON, for the great leadership that he has provided in the months past in writing the original version and then shaping the bill and then using his steady hand to guide us through the process, of course with the help of my good friend, Ranking Member DUNCAN HUNTER.

Both of these leaders provided great direction for us, and I might say that the product of their work is here today. I agree with the chairman, this is a very, very good bill, and I am very fortunate to be able to stand here today to say how important I think it is that we all support it.

Unfortunately, Ranking Member HUNTER could not be here today, but I know he is very proud of this conference report as well. I’d like to thank all of the subcommittee chairmen and their ranking members for their hard work and leadership. It is responsible for almost 1,500 pages that this bill contains. And the staff that helped make this a reality, obviously Members would not have been able to be here today if it were not for them either.

This is a good, bipartisan bill. Last Thursday, the House Armed Services Committee filed this conference report after an overwhelming majority of conferees signed the report. Seldom in my career have I seen this kind of agreement among Members on the bill. Our subcommittee chairmen and their ranking members will provide a detailed summary of the bill, so I will only highlight a few key areas.

Most importantly, this bipartisan bill takes care of the brave men and women serving our country at home and abroad. It authorizes $506.9 billion in budgetary authority for the Department of Defense and the nuclear nonproliferation programs of the Department of Energy. Additionally, it supports current operations in Iraq, Afghanistan and elsewhere in the global war on terrorism by authorizing $189.4 billion in supplemental funding for operational costs, personnel expenses and procurement of new equipment for fiscal year 2008.

This amount provides for end-strength growth in both the Army and Marine Corps. Initiatives started several years ago by the Armed Services Committee, by authorizing increases of 13,000 Army and 9,000 Marine Corps active duty personnel to sustain our required missions.

Additionally, this conference report authorizes a 3.5 percent pay increase, as the chairman remarked earlier. These pay raises for all members of the Armed Forces for 2008 are extremely important.

We talk a lot about quality of life and here we’re doing something about it. Some of the initiatives in this legislation continue successful, practical programs such as the Commander’s
Emergency Response Program, which is working well in battlefields in Iraq and Afghanistan. Other initiatives reinforce good legislation that the House has already passed, such as the Wounded Warrior legislation to address the challenges that face our recovering servicemembers and their families. Still others modify existing authorities or establish promising new programs and new policies.

Some of the new programs and policies include:

First, this bill establishes a Defense Readiness Production Board to identify critical readiness requirements and to mobilize the defense industrial base to speed up the production of military equipment. This board will bridge the gap between readiness needs and resources to help repair our worn-out equipment. The bill also creates a $1 billion Strategic Readiness Fund to give the board and the Department of Defense the ability to rapidly attend to pressing readiness needs. This bill begins to address other shortfalls in maintenance and training by providing $250 million for unfunded training readiness and an additional $150 million to restore aviation maintenance shortfalls.

And we’re very concerned about the readiness of our National Guard. Our bill requires the Department of Defense to begin measuring the readiness of National Guard units to support emergencies in their home States, such as the recent tragic tornadoes in Kansas. These readiness reports will allow the Congress and the State’s Governor to evaluate the needs of each State and address problems before a disaster occurs. To help reduce the shortfalls, the bill includes a $1 billion investment in National Guard equipment.

We also include provisions that require plans and reports to Congress on reconstituting our prepositioned war stocks. We also authorized more than $21 billion for military construction, family housing and to incentivize base realignment and closure. These funds include money to support grow-the-force initiatives for the Army and Marine Corps and to provide facilities to accommodate new recruits and missions.

Other significant provisions include proposed changes to the National Security Personnel System, depot initiatives and numerous important policy initiatives by the Department of Defense. This is a good bill, and I am pleased to have helped in some way in shaping this bill. It reflects our bipartisan desire to improve readiness and to provide for the men and women in uniform.

I ask my colleagues to support this bill.

Mr. SAXTON. Mr. Speaker, I yield 3 minutes to the gentleman from Chesaapeake, Virginia (Mr. FORBES), the ranking member of the Readiness Subcommittee.

Mr. FORBES. Mr. Speaker, I thank the gentleman from New Jersey for yielding and for his leadership on the Armed Services Committee throughout the years.

I rise today in strong support of the conference agreement for the 2008 National Defense Authorization Act. I want to take a moment to thank Chairman SKELETON and Mr. HUNTER for their leadership and hard work in getting us to this point.

This conference report is the culmination of 102 House Armed Services Committee and a number of information briefings and untold hours of debate and discussion with our friends in the Senate. This bill reflects our strong and continued support for the brave men and women of the United States armed services, and I thank both of these gentlemen for moving forward a robust, bipartisan Defense authorization bill.

I also want to thank Mr. ORTIZ, my subcommittee chairman and good friend, for his outstanding leadership of the Readiness Subcommittee.

This conference report provides funding authorization and support for our military and civilian personnel serving in the global war on terrorism while at the same time seeking to reverse declining trends in modernization and readiness.

Major highlights include: It provides $18.4 billion for the Army and $8.6 billion for the Marine Corps to address equipment reset requirements. It provides $990 million for critical National Guard equipment. It authorizes $1 billion for the Strategic Readiness Fund. It establishes the Defense Materiel Readiness Board. It requires quarterly rating and reporting of National Guard readiness for homeland defense missions. It provides a 3.5 percent pay increase to our men and women in uniform. It increases the end strength in the Army and the Marine Corps to improve readiness and meet the threats of the 21st century. It authorizes $2.6 billion for military construction, providing to support these end-strength increases. And it authorizes funding to examine the national security interagency process. As many of you know, this is an issue that is overdue for reform, and many of us are pleased to see this begin to be examined more closely.

Mr. Speaker, we are all very aware that our continued global presence and ongoing combat operations are taxing current readiness levels. We also know that all of the military services are facing aging equipment inventories and are in need of recapitalization and modernization funding. Striking the balance between sustaining readiness today and ensuring a healthy, ready force tomorrow is a vast and complex challenge. This conference report strikes a good balance between sustaining what we’ve got while ensuring a well-trained, all-volunteer force with modern equipment will be available in the future.

This conference report deserves your support.

Mr. SKELETON. Mr. Speaker, it gives me pleasure to yield 4 minutes to the
gentleman from Mississippi (Mr. Taylor), my friend who is the chairman of the Subcommittee on Seapower and Expeditionary Forces.

Mr. TAYLOR. Mr. Speaker, I want to begin by thanking our chairman, Ike Skelton, for all of the hard and collegial job he’s done for looking out for the men and women in uniform this year.

I want to thank my ranking member, Roscoe Bartlett, for his incredible cooperation, and I want to thank all the members of the Seapower Subcommittee.

I also want to thank the other committee chairmen who, to a man or a woman, transferred funds from their jurisdiction to try to help in our efforts to rebuild America’s fleet.

Of all the services, I think it is fair to say that the Bush administration has been the least favorable to the United States Navy. It has shrunk by about 50 ships on George Bush’s watch. We’re trying to turn that around.

With this year’s bill, we’re very proud of several things we’ve done. We’ve funded one Virginia class submarine and advanced funding for a second. We’ve funded one Littoral combat ship, one amphibious assault ship, a dry dock, one new high speed vessel. We’ve completed funding for two Arleigh Burke destroyers, one amphibious assault ship, and we have started the full funding of an additional carrier.

We have long lead funding for three TACE cargo ships, and Mr. Speaker, again with the great help of Roscoe Bartlett, we have in here language that says the next generation of warships, surface combatants, will be nuclear-powered to lessen our Nation’s dependence on foreign oil.

I would encourage every American to read a great book on the New York Times best sellers list called “Halseys Typhoon,” and it talks about the Christmas typhoon that hit the fleet off of the Philippines in 1944, the needless loss of vessels. But the event that triggered the fleet’s sailing into that typhoon was the need for the fleet to refuel their destroyers when the destroyers were caught low on fuel. The destroyers got caught in this storm. Three of them founded needlessly, and had those vessels been nuclear-powered with a 30-year supply of fuel on board, that never would have happened.

To this day, we have only five oilers in the Pacific. Any clever, future foe of the United States, the first thing they’re going to do is try to sink those oilers. And the Department of Defense strategy of wishful thinking that this isn’t going to happen isn’t good enough.

So because of future combat needs, things like rail guns, the growth in power, demand for things like electronics, and above all, to have the ships that guard our carriers to have the capacity to stay with the carriers for 30 years, as far as their fuel needs, we’re very, very proud of that.

We’re very happy that the Guard Empowerment Act will become law, and I want to thank my colleague Tom Davis for encouraging me to sponsor that, and I want to thank him for cosponsoring it. It will raise the chief of the National Guard to four stars. It will do so to the effect that the commander or the deputy commander of the northern command will be either a Guardsman or Reservist.

And I can tell you, having worked with General Stephen Blom in the aftermath of Hurricane Katrina, I cannot think of a finer human being to be the first person as a National Guardsman to wear four stars.

I want to thank the subcommittee for their work on the fielding of mine resistant ambush protected vehicles. A year ago right now, the administration had only asked for 400 of those vehicles. Because of the work of the subcommittee, because of the case that was made to the American people, there will now be 15,000 of them built, and it will from the day it’s fielded save lives and save limbs. There are young people in graves who who would be alive today if we had fielded them sooner, but at least it’s getting done now.

So, Mr. Chairman, thank you for the great work you’ve done. I want to thank my good friend and colleague from Arkansas, the ranking member of the Seapower Subcommittee.

Mr. BARTLETT of Maryland. Mr. Speaker, I yield 3½ minutes to the gentleman from Hagerstown, Maryland (Mr. Bartlett), who is the ranking member of the Seapower Subcommittee.

Mr. BARTLETT of Maryland. Mr. Speaker, I rise in strong support of the National Defense Authorization Act for Fiscal Year 2006. As ranking member of the Subcommittee on Seapower and Expeditionary Forces, I would like to thank the gentleman from Mississippi (Mr. Taylor), chairman of our subcommittee, for his wisdom and profound concern for the safety of our service members and the security of the United States.

Further, I would like to recognize our chairman, Ike Skelton, and our ranking member, Duncan Hunter, for their continued leadership and support. This bill contains farsighted provisions which I believe are critical to this Nation’s future security, none of which would have been possible without the steadfast advocacy of these visionary leaders. Thank you.

I also want to recognize the superb staff without whom this bill would not be possible.

There are a handful of provisions in every annual defense policy bill that stand apart in terms of their impact. This conference report is no different.

One issue that we in the Committee have carefully examined is the establishment of the fact that it is the policy of the United States to utilize nuclear propulsion for all future major naval combatants. It is a vital step to secure our Nation’s national and energy security.

Nuclear propulsion for naval ships is the right thing to do from economic, combat effectiveness, homeland defense, and energy policy perspectives. Without congressional action, budgetary pressures would forever prevent the Navy from making this farsighted commitment to its future.

Studies have consistently shown that life-cycle and operational costs are for nuclear propulsion in large combat vessels, such as cruisers. The most recent naval study shows that the break-even cost for a nuclear fueled cruiser is $60 per barrel of oil. It’s now about $90. What’s more, the National Petroleum Council projects future shortfalls in the supply of oil clear through 2030.

Last spring, a DOD Office of Force Transformation and Resources commissioned report found that the risks associated with oil will make the U.S. military’s ability to deploy on demand “unsustainable in the long run.” It said it is “imperative” that DOD “apply new energy technologies that address alternative supply sources and efficient consumption across all elements of military operations.”

Congress has responded. As recently as last year’s Defense bill, Congress found that the Nation’s dependence upon foreign oil is a threat to national security and that our energy sources must be seriously considered. It noted the advantages of nuclear power, such as virtually unlimited high-speed endurance, elimination of vulnerable refueling, and a reduction in the requirement for replenishment vessels and the need to protect those vessels. Congress directed the Secretary of the Navy to evaluate integrated power systems, fuel cells, and nuclear power as propulsion alternatives within the analysis of alternatives for future major surface combatants.

The Navy is conducting such an analysis for the next generation cruiser. However, in hearings this year, our subcommittee saw no evidence that the Department of Defense was seriously willing to consider making the investments required to enable that future. Quite simply, the conferees decided that we could waste no further time because these investments must begin to be made next year for the CG(X) next generation cruiser. Therefore, this conference report requires integrated nuclear propulsion for future major combatants.

This conference report reflects a fair and balanced treatment of the remaining issues facing the United States Navy and Marine Corps. I respectfully ask full support for this very important bill.

Mr. TAYLOR. Mr. Speaker, I would like to ask unanimous consent to thank Captain Will Ebbets and Mrs. Thomas Johnson for the outstanding job they did in helping the Seapower Subcommittee this year and have them reflected in the RECORD.
The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SKELTON. Mr. Speaker, first let me thank my friend from Mississippi for the reference back to my colleague and I regarding the fuel situation. And I think that the subcommittee is making a substantial contribution in requiring the nuclear ships that it does.

Mr. Speaker, I yield 3 minutes to my friend and colleague, the chairman of the Subcommittee on Oversight and Investigations, the gentleman from Arkansas, Dr. SNYDER.

Mr. SNYDER. Mr. Speaker, prayers and praise for our men and women in uniform do not fulfill our responsibilities to provide for the common defense. Every military family deserves the support of every American, and we act today in this Defense bill to provide that support.

No Defense bill is perfect. No Defense bill can do everything. But this Congress comes together today in a bipartisan manner with a good bill.

Three quick points. First of all, I want to thank Mr. SKELTON and Mr. HUNTER for their leadership and the work that they have done on this year's Defense bill. I also want to acknowledge the presence of Mr. SAXTON, who has announced his retirement and is in his last term and is providing leadership today, as he often does, of this committee.

Second, I am very pleased to see the improvements in the GI Bill for our Reserve component members. It has been grossly unfair that some of our Reserve component members have not been able to get GI Bill benefits when they have left the service.

And third, thanks to Mr. MCHugh and Mrs. DAVIS and others, we have very good provisions in this bill, the so-called Wounded Warrior provisions, that will make life easier for those of our men and women in uniform who are hurt or become ill overseas.

Mr. SAXTON. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. THORNBERY).

Mr. THORNBERY. I appreciate the gentleman's yielding.

Mr. Speaker, I rise in support of this conference report. It is one of the few examples of bipartisan work that has been produced so far in this Congress, and I think it is worthy of every Member's support.

I want to specifically mention some of the provisions within the jurisdiction of the Terrorism and Unconventional Warfare Subcommittee, which has been very ably led by the gentleman from Washington (Mr. SMITH), following in the tradition of the gentleman from New Jersey (Mr. SAXTON). Both of them ask tough questions, but they always put the interests of the country first.

The cutting edge of our battle against terrorists are the folks of the Special Operations Command, and this bill fully authorizes the requested funding for those assigned to our toughest missions. The bill also improves SOCOM's acquisition and contracting authority.

SOCOM is a unique entity set up specifically by Congress with unique authorities, including the ability to buy its own equipment. Now, that is represented by some, and this provision in this bill is intended to make that explicitly clear. But I think all of us on the subcommittee agree that if it is not made clear by this provision, then the work will come back and do more next year.

This bill continues the authority to fund projects in our work with others. It is an important part of this war against terrorists to work with and through other forces, other individuals, and the funding authority that allows that to happen is continued here.

I especially want to express my appreciation to the subcommittee chairman, Mr. SMITH, that this subcommittee has produced a very good provision in Mr. SAXTON's work to develop a deep understanding of the ideology that drives radical Islamic terrorism and how best we can counter it. As much money, time, and effort has been put into that issue since 9/11, I don't think we're to the bottom of it yet.

In addition, this portion of the bill provides more strategic direction and efficiency to our research and development efforts. For example, it adopts the recommendation that requires Strategic Plan for Manufacturing Technology program to try to make sure that equipment goes from the laboratory to the field where the soldiers can use it in an efficient and effective way. And in IT, it makes acquisition more responsive to the pace of technological change. I believe we have a lot more work yet to go in that area, but we have also worked in that most unconventional area, and that is through cyberwarfare where this country is being attacked every day by folks over the Internet. Our military and the rest of our government, I think, is just beginning to come to grips with the significance of that issue and how best to deal with it.

Mr. Speaker, this is not a perfect bill, but I think it is a good bill and it should be supported by all Members.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to my friend the gentleman from Washington (Mr. SMITH), who is also the chairman of the Subcommittee on Terrorism and Unconventional Threats and Capabilities.

Mr. SMITH of Washington. I thank the chairman for yielding.

Mr. Speaker, I want to begin by echoing the comments of my colleague from Texas (Mr. THORNBERY) and also thanking him for his outstanding leadership on our subcommittee. It's been great to work in a bipartisan fashion with Mr. THORNBERY, with Mr. SAXTON, the former chairman; and the other members of the committee. And I will not repeat all that Mr. THORNBERY just said because I agree with it completely. The priorities that he laid out of our subcommittee, focusing on supporting the Special Operations Command in their lead in the fight against al Qaeda and terrorism; focusing on science, technology, and all the issues that he raised directly what we are trying to confront. I have enjoyed working with him on those issues and look forward to continuing to do so because, as he mentioned, we have certainly made progress but there is a lot more work to do. The Special Operations Command needs all the support we can give it in its effort to fight al Qaeda, to understand that enemy and then use its forces to the best of its ability to combat it. And I think understanding those issues is enormously important. It has been a huge priority of our subcommittee.

I also want to thank the chairman of the full committee, Mr. SKELTON. It is a great honor to have worked with him for 11 years. I certainly a great honor to work with him as the Chair, and I think he has produced an outstanding bill, in particular the focus on the troops. I have traveled with the chairman before, and I know that this is always at the top of his priority list, how we are taking care of the troops and their families. This bill does that. It protects them, active duty, Guard and Reserve. It makes it a priority to make sure that we are meeting their needs, and I know that is particularly because of his chairmanship, and I thank him for that. I also thank the other subcommittees who were directly involved in that.

Lastly, I want to point out how important it is that this bill also recognizes the fight we are currently engaged in in Iraq and Afghanistan. It goes to the issues that are most important to those troops. Funding the MRAPs, trying to come up with ways to combat IEDs, making sure they have the body armor and the up- armored Humvees they need to confront those threats. It has been a huge priority of this committee, and particularly Mr. TAYLOR and Mr. ABERCROMBIE, to make sure that we fund our troops that are in the field right now with the priorities that they most need because they are the ones facing the most direct threat right now.

I have always been proud to be a member of this committee, and I'm proud of the bill that we have created. I urge every Member in this body to support it. I think it's an excellent piece of legislation.

Mr. SAXTON. Mr. Speaker, I yield 4½ minutes to the gentleman from Re Hoboth, Alabama (Mr. EVERETT), the ranking member of the Strategic Forces Subcommittee.

Mr. EVERETT asked and was given permission to revise and extend his remarks.

Mr. EVERETT. Mr. Speaker, I want to begin by recognizing the gentleman from Missouri (Mr. SKELTON) and my great friend from California (Mr.  

December 12, 2007

H15345

CONGRESSIONAL RECORD—HOUSE
Although the Department of Defense has taken measures to meet these requirements internally, it is evident that the defense contractor community is behind the implementation of the required locks and safes. The committee has taken an interest in this matter of securing classified information now for several years. Rather than wait another 5 years, I believe DOD should have a plan in place to ensure that contractors are in full compliance with the regulations.

Mr. SKELTON. Will the gentleman from Alabama yield, please?

Mr. EVERETT. I yield to the gentleman from Missouri.

Mr. SKELTON. I thank the gentleman, and I do appreciate his concern on this issue. Protecting classified material of course is the utmost importance, and the standards for protecting this material should be consistent across government as well as industry. In that regard, I intend to work very closely with the gentleman from Alabama, on the issue, starting with the request of the Department of Defense to obtain their plans for meeting the 2012 deadline for phasing out containers used by defense contractors that have not been approved by the GSA.

Mr. EVERETT. Mr. Speaker, if the gentleman would yield further, I thank him for his commitment to work with me on the matter.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to my good friend, the gentlelady from California, who is also the chairwoman of the Subcommittee on Strategic Forces, Mrs. TAUSCHER.

Mrs. TAUSCHER. Mr. Speaker, I rise today in strong support of the conference report on H.R. 1585, the National Defense Authorization Act for Fiscal Year 2008.

I want to thank Chairman SKELTON and Ranking Member HUNTER. I especially want to thank the Strategic Forces Subcommittee ranking member, Mr. EVERETT, the distinguished gentleman from Alabama. Many of the very fine initiatives that we produced in this bill were started by Mr. EVERETT when he was chairman, and I thank him for his cooperation and for his leadership.

I want to especially thank our excellent staff for all of their hard work for what is, I think, one of the finest Defense Authorization bills that we have been able to produce.

Mr. Speaker, as chairman of the Strategic Forces Subcommittee, I have worked with my colleagues over the course of this year to incorporate four priorities into the conference agreement before the House today.

First, this bill aims to foster and frame a crucial discussion about nuclear weapons by establishing a congressionally appointed bipartisan commission designed to reevaluate the United States' strategic posture. The commission will provide valuable recommendations to Congress regarding the proper mix of conventional and nuclear weapons needed to meet new and emerging threats.

Second, the bill takes a prudent step to slow key Department of Energy nuclear weapons initiatives, including the development of the Reliable Replacement Warhead. The conference agreement limits RRW activity in fiscal year 2008 to a design and cost study and reduces RRW funding by $38 million out of a total request of $119 million, more than a 30 percent reduction.

The conference agreement also rejects the proposal for a new plutonium pit production facility, or consolidated plutonium center, in the President's budget request. None of the $24.9 million proposed for the CPC is authorized.

Third, the bill funds ballistic missile defense systems that will protect the American people, our deployed troops and allies against real threats while shifting resources away from longer term, high-risk efforts. The bill authorizes funding for ballistic missile defense programs of the Missile Defense Agency, a reduction of $450 million from the President's request.

The conference agreement reduces funding for the proposed European missile defense site by $35 million, and requires final approval by the Governments of Poland and the Czech Republic and an independent study on alternative missile defense options for Europe before construction may begin.

The conference agreement also charts a path forward to provide the President with options for a conventional prompt global strike, consolidating funds requested for the Conventional Trident Modification into a new, defense-wide research line for prompt global strike.

Finally, we are boosting funding for space capabilities that deliver near-term benefits to the warfighter and improves space situational awareness and survivability.

Mr. Speaker, this bill strikes a balance between near-term needs and long-term investment, and it creates the means to help bring our nuclear weapons policy into the 21st century.

I urge my colleagues' strong support on this legislation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will note that the gentleman from New Jersey has 10% minutes remaining, the gentleman from Missouri has 8% minutes.

Mr. SAXTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York, the ranking member of the Military Personnel Subcommittee, Mr. MCHUGH.

Mr. MCHUGH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I've said on occasions in the past in similar situations that it's always a source of great pride for those of us who have the honor and opportunity to serve on the Personnel Subcommittee that when many Members come to the floor in support of both this and past authorization bills,
one of the things that they cite most often are those initiatives emanating out of the Personnel Subcommittee, and I think that’s for a very good reason. Because all of us, certainly in this Congress, but particularly in the House Armed Services Committee, recognize that for all of the things that make this Nation great, particularly for all of those things that make our military the greatest that has ever walked the face of the Earth, the one irreplaceable component is those who wear the uniform. Of course, we support them, their spouses, their children, their families. And in that regard, I want to add my words of thanks to, of course, the distinguished chairman, the gentleman from Missouri, our ranking member, Congressman HUNTER, but also to Dr. SNYDER, who started the year off as the chairman of the Personnel Subcommittee, who went on to other challenges and, fortunately for all of us, turned the reins over to the very able hands of the gentlelady from California (Mrs. Davis).

As in years past, Mr. Speaker, this bill is rich in provisions that recognize the value of our military men and women in service and the need to support them, and to enrich the quality of lives of both those individuals and, of course, their families. And I suspect you have heard today, and rightfully will continue to hear, Mr. Speaker, of all of those good things: 3.5 percent pay raise, 10,000 additional positions, 13,000 for the Marine Corps by 9,000; more important, over the past 9 years, the continuation of our effort to reduce that gap between civilian pay and military pay that started at 13.5 percent. And with this 3.5 percent, it will move it down to 3.4 percent. More needs to be done, but good progress.

It critically increases end strength, which is such an important component in the high pace of operations and personnel costs that increases the way by 13,000, the Marine Corps by 9,000; again, work that needs to be continued, but a good step on such an important problem.

The report also contains important provisions of the bill that Dr. SNYDER and I had the honor of helping to initiate, that was later picked up by the committee and so many others to round it into a great provision to respond to the disgraceful conditions that we all learned about at Walter Reed and end the frustration that exists between the DOD and veterans retirement and disabilities systems. And it includes as well several recommendations from the President’s Commission on Care of America’s Returning Wounded Warriors, better known as the Dole-Shalala Commission.

From active to Reserve, this is a great bill and it deserves all of our support.

Mr. SKELETON. Mr. Speaker, I yield 3 minutes to my good friend and colleague from California, who is the chairwoman on the Committee on Personnel, Mrs. DAVIS of California. I want to thank my distinguished chairman for his leadership.

Mr. Speaker, while the holiday season is a time of joy for most Americans, it can be a very difficult period for our servicemembers and their families. When I sit down with members of our all-volunteer force, whether it’s in my district or in the mess halls in Iraq, I’m very aware of the stress military service puts on our servicemembers and, of course quite specifically, on all of their family members as well. The stress of being deployed over the holidays can only be more difficult.

Mr. Speaker, a vital component of our strong national defense is the ability to care for members of our force, as well as recruit and retain men and women to serve in the military. To quote the first Commander in Chief, “The willingness of young people to serve in the military is directly proportional to how they perceive the services of earlier wars were treated and appreciated by their Nation.”

The need with which our forefathers as well as future generations of servicemembers will know that their Nation cares for their sacrifice.

Mr. Speaker, why is this bill important to men and women in uniform? It provides a 3 percent across-the-board pay raise for our troops. The compensation we provide our servicemembers must remain competitive with the private sector.

We were also successful in making major improvements to the Reserve Montgomery GI Bill. For the first time there is a 10-year portability in benefits for Reservists so they can continue to receive educational assistance after they separate.

Additionally, this bill will help services recruit and retain desperately needed health care professionals by prohibiting any further conversion of military medical professionals to civilian positions.

Mr. Speaker, most importantly, the mental health needs of our troops continue to grow, and this bill includes a number of provisions that will improve access to quality care for members and their families. The creation of Centers of Excellence on TBI and PTSD is just one example.

This report also includes a number of the recommendations from the Dole-Shalala Commission, including an expansion of the Family and Medical Leave Act to cover family members of those on active duty so they can care for wounded servicemembers on extended leave for up to 26 workweeks. Family members will no longer have to choose between keeping their jobs and caring for a wounded loved one.

This bill also contains one of the concerns Members have heard from their constituent Reservists, early retirement. The bill would reduce the age at which a member of the Ready Reserve can draw retired pay below the age of 60 by 3 months for every aggregate 90 days of active duty performed under specified circumstances.

Mr. Speaker, there is so much more I wish we could do for our men and women who serve, but I feel that this bill represents the best efforts of this body to provide for our Nation’s Armed Forces and their families.

I would like to thank my predecessor, Representative SNYDER, and ranking member, Representative MCHUGH, and the Personnel Subcommittee staff for all of their hard work on this conference report.

Mrs. DAVIS of California. I want to yield 2 minutes to the gentleman from Minnesota, a retired U.S. Marine Corps colonel, Mr. KLINE of Minnesota.

Mr. KLINE of Minnesota. I thank the gentleman for yielding.

Mr. Speaker, I rise today along with my colleagues in strong support of this legislation. At a time when our Nation is at war on multiple fronts, we must maintain a strong commitment to these brave men and women in uniform who stand in defense of our Nation.

This legislation takes a responsible, forward-looking approach to the funding of our current operations and provides for the needs of our American heroes.

In addition to the things already mentioned by my colleagues, such as an increase in end strength and the very important pay raise, I am particularly pleased at the inclusion of two important legislative provisions that I introduced earlier this year, the Yellow Ribbon Reintegration Program and authorization for assignment incentive pay for National Guardsmen unfairly denied this benefit.

The Yellow Ribbon Reintegration Program nationalizes a program created by the Minnesota Guard. Through experiences drawn from the deployments of smaller units to Iraq and Afghanistan, the Minnesota Guard developed a unique combat veteran reintegration program with a focus on supporting servicemembers and their families throughout the entire deployment cycle.

With this focus, the Minnesota Yellow Ribbon program has proven an effective means to prepare every combat veteran and their family for a safe, healthy and successful reintegration.

This multifaceted program includes workshops and training events at 30-, 60-day and 90-day intervals for servicemembers following their deployment.

This bill also moves us toward fixing a major disparity among Minnesota National Guardsmen. Congress created assignment incentive pay to recognize the hardship of prolonged mobilization periods for Reservists and Guardsmen who under previous authority. The military services, however, deploy Guardsmen and Reservists under other mobilization authorities.
Mr. Speaker, I would encourage all of my colleagues to join me today in voting for this important legislation that supports our troops.

Mrs. TAUSCHER. Mr. Speaker, I am happy to yield 1 minute to my friend and colleague the gentleman from New Jersey (Mr. ANDREWS), a particularly articulate and thoughtful member of the Armed Services Committee.

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding, and I congratulate our Chairman SKELTON on his great job in getting this bill done and our ranking member, Mr. HUNTER.

People criticize the Congress, I think justifiably, because they think we don’t get anything done and we can’t ever agree with each other. Well, this bill shows that we can get things done and we can agree with each other. There are many strongly held opinions about the war in Iraq, pro and con. But I think there is unanimity. We should show the people who wear the uniform of this country our appreciation by raising their pay. And this bill does that. 3.5 percent across the board. I think there is unanimity that when we send our young men and women into harm’s way, they should have the best protection. And this bill puts $17.6 billion, the highest ever, into up- armored vehicles and protective gear for the troops in the field. I think there is unanimity that says that when someone is wounded in the service of this country, he or she should never be forgotten, ever, when they are in the VA health care system. So there is unanimity here for the Wounded Warrior Act.

This bill is well worth supporting because it shows the broad support in this Congress for the men and women who serve this country, and I urge a “yes” vote.

Mr. SAXTON. I yield 1 minute to my friend, the gentleman from Ohio (Mr. TURNER).

Mr. TURNER. Thank you, Mr. Speaker.

I would like to thank Chairman SKELTON and Ranking Member HUNTER for their leadership in completing the conference report for FY08 National Defense Authorization Act.

On November 6 Chairman SKELTON announced that an agreement had been reached on the conference report stating that “this bill supports the troops, restores readiness, and improves accountability.”

I would like to point out that this bill includes a key policy provision that directly supports our troops. This bill will amend the Service Members Civil Rights Act to protect the children of servicemembers deployed in a contingency operation. This provision is important because it protects our deployed troops from courts that have been overturning established custody arrangements. The servicemember is serving our country in a contingency operation such as Iraq or Afghanistan.

Today, I urge my colleagues to vote in favor of this bill because it provides the child custody protection that our deployed troops deserve. Much is asked of our servicemembers, and mobilization can disrupt and strain relationships at home. This additional protection is needed to provide them peace of mind that the courts will not undermine their established custody rights without them. This amendment protects them, and it protects their children.

Mrs. TAUSCHER. Mr. Speaker, I yield 1 minute to my friend and colleague the gentleman from Arizona (Ms. GIFFORDS), a member of the Armed Services Committee and a conferee on this bill from the Committee on Small Business.

Ms. GIFFORDS. Mr. Speaker, I rise today in strong support of the Fiscal Year 2008 National Defense Authorization Act. As a member of the Armed Services Committee, led by Chairman SKELTON, I am pleased to vote for a comprehensive bill that bolsters military readiness, supports our military families, and makes sure that we have strong national security.

In southern Arizona, I represent two major military installations and thousands of military personnel. Having spent time there both at home and abroad, I am well aware of the challenges our men and women in uniform face. New recruits at Davis-Monthan Air Force Base and Fort Huachuca currently earn just $18,000 a year. Many of them have families. This bill recognizes their commitment and gives them a 3.5 percent pay increase.

Our military is facing a retention crisis. In this time of war, our armed services must have the best and brightest. We must retain those men and women by providing them the best training, equipment, and support possible. From southern Arizona to Afghanistan, we have to ensure that our men and women are ready to face any challenge. I urge my colleagues on both sides of this aisle to support our troops and our national security by voting for this essential legislation.

Mr. SAXTON. Mr. Speaker, I yield myself 3 minutes.

I wish to speak on behalf of the Air Land Subcommittee. I want to first thank our great subcommittee chairman, Mr. ABERCRUMBIE, the gentleman from Hawaii, for his outstanding work and for his great cooperation on our subcommittee.

The major highlights of the Air Land Subcommittee’s portion of this bill provide aircraft providing multiyear procurement authority for the CH-47 helicopter; authorizes $1 billion for FY2008 for acquisition of two options for the propulsion system for the Joint Strike Fighter; authorizes $2.3 billion for eight badly needed C-17 aircraft; and allows the Air Force to proceed with the request to develop two KC-10 Extender aircraft. These retirements will greatly help the Air Force. The aircraft are grounded or are unable to be used in combat operations.

The land forces of our subcommittee benefited from several areas of uppedarmored armor: the mine resistant ambush protected MRAP vehicles; the up- armored Humvees; the body armor that we provide in the IED fragment armor kits are very important elements of the bill. This is not a good thing. Requirements for advancement through research and development to procurement, these provisions are routinely waived by the Department of Defense. It is hard to know if acquisition policies actually work if we rarely follow them.

Mr. Speaker, the conference report takes steps to address some of these issues, and I am encouraged by some of the things that I have seen and heard coming from the Office of the Secretary of Defense for Acquisition, Technology and Logistics.

Mr. Speaker, this conference report supports our military men and women. Indeed, in my own family, I grew up knowing what a difference it makes when we have service members and support certainly in this regard deserves the strong support of the Congress. This conference report certainly in this regard deserves this and our support.

Mrs. TAUSCHER. Mr. Speaker, I am happy to yield 1 minute to my friend and colleague the gentleman from Pennsylvania (Mr. CARNEY), a conferee on this bill from the Committee on Homeland Security.

Mr. CARNEY. Mr. Speaker, I do rise today in support of the 2008 Defense authorization bill, H.R. 1585. This bill addresses many of the problems facing our military, as we have seen today. One of my first actions in Congress was to introduce bipartisan legislation that
to give the National Guard and Reserve members up to 10 years to take advantage of their GI education benefits. This proposal is similar to the benefits extended to active duty members of the military.

Under current law, a Guardsman or Reservist loses their benefit when they serve. This legislation fixes that, and I am proud to be a sponsor.

Mr. SAXTON. Mr. Speaker, may I inquire of the Chair as to how much time is remaining on each side.

The SPEAKER pro tempore (Mr. Ross). The gentleman from New Jersey has 3 minutes remaining.

Mr. SAXTON. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. AKIN).

Mr. AKIN. Mr. Speaker, the authorization bill that is in front of us here today stands in some contrast to other pieces of this legislation. It stands in contrast because it isn’t dolled up with all kinds of partisan and very controversial kinds of things. It’s a bill that is just quietly getting the job done.

I think the Members of the House, both Republican and Democrat, should be pleased with the quality of what has been put together. It does the job. It funds our troops. It lays out the proper kinds of equipment and spending priorities that are absolutely necessary for the defense of our country. I thank the Members of both parties that were able to put this together.

Mrs. TAUSCHER. Mr. Speaker, I am very happy to yield 1 minute to my friend and colleague the gentleman from Minnesota (Mr. WALZ).

Mr. WALZ of Minnesota. Mr. Speaker, I thank Chairman SKELTON and Ranking Member HUNTER for bringing this good piece of legislation to the floor.

This bill, H.R. 1585, fulfills our basic duty in this Congress to provide for the national defense. There are several important pieces of this legislation that are particularly meaningful to me as a 24-year veteran of our Army National Guard. There is an amendment in here to address the issue of the Federal tuition assistance program that too many of our returning servicemembers are unable to utilize. This important provision that we worked on in the VA Committee on making sure the electronic medical records between DOD and VA truly do become seamless. Finally, there is a very important repeal of changes that were made to a 200-year-old piece of legislation, the Innsurrection Act, that Mr. DAVIS from Virginia and I worked on with our Nation’s Governors that will restore individual State control over their National Guard units.

These provisions are only a small part of this bill. There’s a needed pay raise and expanded care and research into TBI for our returning warriors. This bill comes packed with provisions to make good on this Congress’ promise that we will keep every single promise to our veterans and make them a priority.

Our most precious resource in our national defense are those service-members who are willing to risk everything to defend this Nation.

I urge my colleagues to support this. Mr. SAXTON. Mr. Speaker, I reserve the balance of my time.

Mrs. TAUSCHER. Mr. Speaker, I am happy to yield 1 minute to my friend and colleague the gentleman from Pennsylvania (Mr. ALTMIRE), a conference on this bill from the Committee on Small Business.

Mr. ALTMIRE. Mr. Speaker, I want to highlight two specific provisions that are included in this landmark legislation that we are discussing today.

This bill contains legislation that, along with Congressman Tim UELZ, offered an amendment during initial House consideration of this bill. It will allow military families to use family and medical leave time to manage issues such as child care and financial planning that arise as a result of the deployment of an immediate family member.

This bill also contains the language from my bill, H.R. 1944, that requires the VA to operate a comprehensive program of long-term care for rehabilitation of traumatic brain injury, which has become the signature injury of the wars in Afghanistan and Iraq. It also creates and maintains a TBI veterans health registry.

These provisions will directly impact and improve the lives of our brave men and women in uniform and their families. I am proud that they have been included in this bill.

Mr. SAXTON. Mr. Speaker, may I inquire of the chairman as to how many additional speakers he has.

Mr. SKELTON. It appears we have no additional speakers except myself.

Mr. SAXTON. Thank you very much, Mr. Chairman.

Mr. Speaker, I yield myself the balance of my time. First let me, again, sincerely thank Chairman SKELTON for the great job that he has done here bringing us to the floor with this bill today.

Mr. Speaker, President Ronald Reagan praised to say that all of the things that Congress passed are important and the all the programs that we fund are great programs and important programs. But then he would say, “But none of that really matters much if we don’t have a good system to protect the American people and our national security.” I have kept that in mind ever since I was a freshman here, because that was the case when I heard him say that.

I believe that this bill today carries on that same kind of tradition, because we work together as Republicans and Democrats, understanding that we have a finite amount of money and resources to put toward our national security, and therefore it’s incumbent upon us to do the best we can.

We do face a multitude of threats to our way of life and our national security interests, and as legislators, we therefore must accept that it is our responsibility to ensure that our brave men and women in uniform have the best available tools at their disposal to combat those threats and protect those interests.

The provisions of this bill go a considerable way in demonstrating that kind of support. And so I urge all Members to support this bill, and I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, before I make my closing remarks, I would yield 1 minute to my friend from Iowa, a member of the Armed Services Committee, Mr. LOEBSACK.

Mr. LOEBSACK. Mr. Speaker, I would like to thank especially Chairman SKELTON for yielding 1 minute. I want to thank Chairman SKELTON and Ranking Member HUNTER for their bipartisan leadership on this bill. I am proud to work with them to restore the readiness of our military, support our deployed troops and their families, and increase the oversight of our ongoing presence in Iraq.

Our National Guard and active duty forces are stretched to the breaking point. This bill takes great strides to address this critical issue to ensure our Guardsmen and Reservists are properly trained and equipped to respond to threats both home and abroad. Moreover, this legislation includes an amendment that I offered with Representative CUMMINGS of Maryland which requires General Petraeus and Ambassador Crocker to report to Congress every three months on the status of military operations and political reconciliation in Iraq. Such oversight is crucial to our ability to find a new way forward in Iraq.

I urge my colleagues to support this vital legislation, and I thank Chairman SKELTON once again for allowing me to speak for 1 minute.

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

The SPEAKER pro tempore. The gentleman from Missouri is recognized for 30 seconds.

Mr. SKELTON. Mr. Speaker, we have a good number of provisions that have not been fully discussed today, including contracting reform and acquisition reform. We did speak of roles and missions. But I wish to stress, Mr. Speaker, of the years I have had the privilege...
of serving in this body, this has to be the best, most comprehensive, troop-friendly, family-friendly and readiness-friendly bill that we have ever had.

When it first came to the House before we had our conference, it had a very, very strong vote here, an Mr. Speaker. I hope we have a strong vote when we seek the final passage on this bill today.

Mr. OBERSTAR. Mr. Speaker, I commend the gentleman from Missouri, Mr. SKELTON, chairman of the Committee on Armed Services, for his leadership in bringing the Conference Report on H.R. 1585, the “National Defense Authorization Act for Fiscal Year 2008,” expeditiously to the House floor. This legislation includes critical program and funding authorizations for the men and women in our Nation’s armed forces.

This Conference Report contains several provisions that fall under the jurisdiction of the Committee on Transportation and Infrastructure, including provisions that affect the Federal Aviation Administration, the United States Coast Guard, the Environmental Protection Agency, and the General Services Administration. I have no objection to the inclusion of most of these provisions.

I rise today in opposition to one provision in the final Conference Report that significantly affects the responsibility of the U.S. Army Corps of Engineers, “Corps.” Section 2875 regarding the city of Woonsocket, RI, for failing its statutory obligation to operate and maintain its local levee by shifting responsibility for this now-failing levee to the Federal government. Current law provides that operation and maintenance responsibility for flood control projects is a non-Federal responsibility. However, this section requires the Corps to conduct any repairs or rehabilitation of the existing structure, including its replacement.

This provision is bad policy, because it establishes the precedent that the Federal government will assume responsibility for failing flood control systems, which according to the Corps, may include an inventory of roughly 15,000 miles of levees and other flood control structures.

This provision also creates the false impression that communities that sign contractual obligations with the United States, through the Corps, can have these contracts overturned by congressional action if the community can convince one Member of Congress that the community lacks sufficient resources to meet their operation and maintenance responsibilities.

The Corps is often called upon to construct flood control projects, in partnership with a non-Federal sponsor, under a cost-sharing agreement. Once the project is completed, the responsibility for long-term operation and maintenance is transferred to the non-Federal interest. With the exception of the projects along the Mississippi River that are part of the Mississippi River and Tributaries project (MRT), the Corps is typically not responsible for operation and maintenance of flood control projects.

The Corps currently has responsibility for operation and maintenance of navigation projects. For these projects, the backlog of operations and maintenance responsibilities is a significant responsibility of the existing Federal responsibilities is roughly $4 billion annually, but appropriations for operation and maintenance have hovered around $2 billion. The result is that roughly 50 percent of vitally needed operation and maintenance responsibilities of the Corps are not being met, and are deferred to future appropriations. To shift additional operation and maintenance responsibilities to the Corps is unwisely and is likely to impair the ability of the Corps to carry out its existing obligations for operations and maintenance.

During pre-conference negotiations, I proposed to provide the city of Woonsocket with some flexibility related to the cost of operation and maintenance of this project, but not a permanent blanket waiver of operation and maintenance.

I proposed two solutions, which I believe would have addressed the concerns of the city of Woonsocket. Unfortunately, the Senate was unwilling to compromise, and both proposals were rejected.

Both proposals would have authorized the Corps of Engineers to assume greater responsibility for the reconstruction of the failing levee system, but would have continued the long-term operation and maintenance responsibilities for the city of Woonsocket. I believe that both proposals maintained the spirit of compromise without violating fundamental statutory and contractual responsibilities of the non-Federal sponsor. Both offers would have allowed the city of Woonsocket to start fresh with a structurally sound flood control system, providing the local community the option to operate and maintain the levee system.

I continue to believe that this shift of operation and maintenance responsibility is bad policy that will worsen the backlog of deferred operation and maintenance responsibility for the Corps and set a precedent for shifting responsibilities for other projects in the future.

I opposed a similar provision in last year’s Defense Authorization bill that changed operation and maintenance responsibility from the local sponsor to the Federal government for another project in Rhode Island.

As chairman of the Committee on Transportation and Infrastructure, I will continue to explore the implications of these changes in operation and maintenance responsibilities in the formulation of the Water Resources Development Act of 2008.

Mr. UDALL of Colorado. Mr. Speaker, I rise in strong support of this conference report.

I applaud Chairman SKELTON for his leadership in guiding this conference report to the floor today. He and Ranking Member HUNTER have done a tremendous job, and they have been ably supported by the expert staff of our committee.

I’m particularly grateful to Chairman SKELTON for working with me to include things important for Colorado, including: a provision to peptide a normal cost-shar ing agreement at the Chemical Weapons Disposal Plant at Cheyenne Mountain, Colorado; an agreement requiring the Army to make its case for expansion at the Pueblo Canyon Maneuver Site; an agreement between the Air Force and the city of Pueblo about flight operations at the Pueblo airport; a report on opportunities for leveraging Defense Department funds with State and local funds in the event of electric grid or pipeline failures; and restrictions on the move of key NORAD functions from Cheyenne Mountain to Peterson Air Force Base until security implications and promised cost savings are analyzed.

I am also pleased that the final bill includes two amendments I offered in committee, including one to repeal a provision adopted last year that makes it easier for the president to use the National Guard for law enforcement purposes during emergencies. By repealing this, my amendment restores the role of the Governors with regard to this subject. My other amendment extends for 5 years the Office of the Ombudsman that assists people claiming benefits under the Energy Employee Occupational Illness Compensation Program Act, EEOICPA, which is so important for affected workers from the Rocky Flats site in my district.

Mr. Speaker, this bill rightly focuses on our military’s readiness needs. After 5 years at war, both the active duty and reserve forces are stretched to their limits. The bill will provide what’s needed to respond, including a substantial Strategic Readiness Fund, adding funds for National Guard equipment and training, requiring a plan for rebuilding the Army National Guard Bureau a joint activity of the Department of the Army and the Department of the Air Force, providing a Defense Readiness Production Board to mobilize the industrial base to address equipment shortfalls.

It also provides important funds for the Base Realignment and Closure process, including an expansion bill in the last Congress, the bill enlarges the Army and Marine Corps to help ease the strain on our troops and provides for an increase in National Guard personnel. And it will provide for a 3.5 percent across-the-board pay raise for service members, boost funding for the Defense Health Program, and prohibit increasing TRICARE and pharmacy user fee increases.

The bill incorporates provisions from the Wounded Warrior Assistance Act, which passed the House earlier this year and was driven by the revelations of mistreatment and mismanagement at Walter Reed Army Medical Center. These provisions establish new requirements to provide the people, training, and oversight needed to ensure high-quality care and effective administrative processing at Walter Reed and throughout the active duty military services. The bill also establishes a Military Mental Health Initiative to coordinate all mental health research and development within the Defense Department, and establishes a Traumatic Brain Injury Initiative to allow emerging technologies and treatments to compete for funding.

Given the increased use of the National Guard and Reserves in recent years, the bill gives important new authorities to the National Guard to fulfill its expanded role, including authority to provide a joint staff for the Chief of the National Guard Bureau, making the National Guard Bureau a joint activity of the Department of Defense, and requiring that at least
one deputy of Northern Command be a National Guard officer.

The final bill also addresses ongoing problems of contracting fraud by tightening controls on managing contracts and improving whistleblower protections, as well as improving accounting by requiring public justification of the use of procedures that prevent full and open competition.

I’m pleased that the conference report fully supports the goals of the Department of Energy nonproliferation programs and the Department of Defense Cooperative Threat Reduction program, consistent with the 9–11 Commission recommendations. The bill also slows development of a Reliable Replacement Warhead and establishes a bipartisan commission to evaluate U.S. strategic posture for the future, including the role that nuclear weapons should play in our national security strategy.

Mr. Speaker, the conference report we are considering today does an excellent job of balancing the need to sustain our current worrisome abilities with the need to prepare for the next challenge to our national security. It is critical that we are able to meet the operational demands of today even as we continue to prepare our men and women in uniform to be the best trained and equipped force in the world.

This is a good bill, a carefully drafted and bipartisan bill, and I urge its passage.

Mr. LANTOS. Mr. Speaker, I rise in strong support of the conference agreement on H.R. 1585 and would like to thank my distinguished colleague, Chairman Ike SKELTON, for his hard work and leadership on this important legislation. I am grateful for his partnership on critical matters of national security.

The struggle against terrorism requires a global campaign centered on engagement with the Muslim world. It also requires us to strengthen our partners’ capabilities to fight terrorism and to maintain our own military capabilities in this area.

I welcome the efforts by the Committee on Armed Services to adjust the Department of Defense’s legal authorities to meet this challenge. The Department recognizes that “soft” power makes the use of military force more effective by fostering stability among vulnerable populations. To that end, the Pentagon has sought a variety of foreign assistance-related authorities traditionally implemented by the State Department.

I particularly welcome the Defense Department’s efforts to address shortcomings in our national security bureaucracy. In the arena of stability operations, I, more than anyone, am aware of the budget shortfalls confronting the State Department, and I am fully aware that the men and women in uniform do not at times receive the expanded support that they need during stabilization operations.

I am also pleased that the Defense authorization bill follows the lead of H.R. 885, the Lantos-Hobson “International Nuclear Fuel for Peace and Nonproliferation Act, passed by the House in June, to designate $50 million to support the establishment of an international nuclear fuel bank, under multilateral control and direction, to remove any rational incentive for countries to build their own uranium enrichment facilities that can make fuel for both civil power reactors and nuclear weapons. It also supports international efforts to build international pressure on Iran by ad-
Iraq and the United States in the Middle East. These Iraqis should remain in their home country to rebuild it and encourage the spread of liberty. If we remove every Iraqi that is supportive of the U.S. from Iraq, terrorists will have the upper hand. Iraq and the United States need these patriotic Iraqis to remain in Iraq and be useful.

While I sympathize with the Iraqi nationals who have been victims of this War on Terror, conditions within the country are improving. I encourage the Iraqis to stay and fight for their homeland and freedom alongside American troops to win this War on Terror.

For these reasons I oppose the provisions in the Conference Report to H.R. 1585 that provide U.S. immigration benefits to certain Iraqi refugees, and I urge my colleagues to do the same. Vote “no” on the Rule.

Ms. WOOLSEY. Mr. Speaker, while I cannot support H.R. 1585, this legislation does contain the provisions of H.R. 3481, the “Support for Injured Servicemembers Act,” a bill that I introduced in the House and which amends the Family and Medical Leave Act to provide 6 months of paid leave for injured servicemembers and other “next of kin” to care for injured service members. H.R. 3481 implements one of the recommendations of the President’s Commission on Care for America’s Returning Wounded Warriors, chaired by Secretary Shalala, and codified in GPL.

The Family and Medical Leave Act is intended to help individuals balance their family and work obligations. Ninety million working people are now eligible for unpaid job-protected leave for up to 12 weeks a year. When the Act was passed in 1993, it was a baby step and is of great importance to working families.

Since a majority of military spouses work, they too must balance work and family. They work to put food on the table and support their families, just like the rest of us. But they face additional challenges because their lives are disrupted by multiple deployments, involving not only active service members but those in the National Guard and reserves as well.

The conflicts in Iraq and Afghanistan have resulted in over 50,000 casualties with many servicemembers being seriously wounded. These injured warriors need substantial support and care from their families, often for long periods of time, and some permanently.

The Workforce Protections Subcommittee, which I chair, held a hearing in September on H.R. 3481. We heard from several witnesses about the need for extended family and medical leave in these instances.

Unfortunately, this legislation has let down our returning service members and their families. The Vote, I introduced H.R. 3481, so no matter where we come down on the merits of these conflicts, we can help families who support loved ones who put their lives on the line in Iraq and Afghanistan. The provisions of H.R. 3481 will certainly help.

Mr. BERMAN. Mr. Speaker, I rise today in strong support of language in this conference report that includes several critical provisions to aid the resettlement of Iraqi refugees and internally displaced persons.

First, I offer my sincere thanks to Chairman SKELTON and Senator KENNEDY for working to include this language in the conference report before we today.

Since our invasion, well over 4 million Iraqis have fled their homes as a result of political instability, economic catastrophe, and ethnic and sectarian strife. Unable to legally find employment in their host countries, living in substandard housing with inadequate medical and educational facilities, many refugees simply have no place to turn.

While neighboring countries have struggled to cope with the strain of hosting millions of these refugees, our track record on refugee resettlement has been nothing short of an embarrassment.

As the refugee crisis unfolded in Iraq and its neighboring countries in the aftermath of our invasion, the Departments of State and Homeland Security stood by while a backlog of refugees referred by the United Nations for resettlement languished in the slums of Amman and other cities in the region.

This legislation will help make up for the administration’s inexcusably lethargic pace by setting out clear refugee processing priorities, mandating the centralization of Iraqi refugee efforts in the State Department, requiring greater cooperation with those allies in the region who are hosting many of these refugees, and increasing congressional oversight of refugee assistance and resettlement programs.

In addition, the language which we have worked together in great bipartisan fashion to include in this conference report also strengthens the Special Immigrant Visa program, for Iraqis who have worked for our Government and military in Iraq.

Many of these Iraqis who served bravely besides our troops and diplomats need our immediate assistance. Single out as collaborators, they have been targeted by death squads, militias, and al-Qaeda. Clearly, we owe them more than just a debt of gratitude. We owe them a safe haven and a fresh start.

While this legislation represents an important step forward in our commitment to these refugees, it cannot be the last word on the matter.

I look forward to working with my colleagues in the future to help us live up to our commitments to these refugees.

Ms. BORDALLO. Mr. Speaker, I rise today in strong support of H.R. 1585, the National Defense Authorization Act for the Fiscal Year 2008. I urge my colleagues to pass the conference report because the bill improves the readiness of our men and women in uniform and takes necessary steps toward ensuring that our wounded warriors get the care they deserve.

I want to applaud the leadership of Chairman IKE SKELTON for working closely with Members on both sides of the aisle and across the Capitol to ensure that the legislation before the House and Senate Representatives today will truly help our servicemembers in the field.

I am especially pleased with section 374 of the bill, which provides for priority transportation on Department of Defense aircraft for military retirees residing in the United States territories who require specialty care that is not available in that territory. Specifically, a military retiree who requires specialty care and is under the age of 65 will be considered under category 4 priority instead of the current category 6 for space-available seats aboard Department of Defense aircraft. Section 374 also requires the Department of Defense to submit a report to Congress indicating how it will internally address the issue of improved TRICARE coverage in the territories. I worked with the Department of Defense over the past several years to address the specially care travel dilemma but no satisfactory resolution ever emerged. The provision that I sponsored that is contained in this bill begins to address the situations that have resulted when military retirees on Guam regarding their access to space-available seats on Department of Defense aircraft. This provision represents an improvement over the current situation but more work remains to strengthen TRICARE benefits for 607th in the territory. I thank the professional staff of the House Armed Services Committee who worked diligently with me and my staff to include this provision in the final version of the legislation.

The bill also includes language that allows the U.S. Army to remain as the program management executive for the joint cargo aircraft program. The provision requires several reports to be submitted to Congress before appropriated funds can be expended by the U.S. Army or the U.S. Air Force for procurement of additional aircraft. The joint cargo aircraft program provides critical intra-theater lift capabilities for military supplies to servicemembers in the field. I thank my colleagues, Mr. COURTNEY of Connecticut and Mr. HAYES of North Carolina, for their support and leadership on this matter.

As I stated earlier, this piece of legislation helps to improve the readiness of our forces. I urge for the strength of the Guam. I am encouraged to see portions of the National Guard Empowerment Act included within H.R. 1585. We will finally give the National Guard the recognition and tools that they need to continue operating as a dual-hatted force responding to crises at home and abroad. As a former lieutenant governor, I know first-hand, how brave, valiant and essential our Guard is to the safety and security of our Nation. Elevating the Chief of the National Guard Bureau to a four-star general helps to give the Guard the priority in decisionmaking that it deserves. The provision making the National Guard Bureau become a joint activity within the Department of Defense is even more important. Now that the National Guard Bureau is a joint activity I hope that the Department of Defense will give very serious consideration to giving State Adjutants General joint credit for their service to the State or territory. The National Guard is truly a joint service and the work of their general officers should be recognized as such.

Mr. Speaker, I strongly urge my colleagues to adopt H.R. 1585.
Mr. BLUMENTHAL. Mr. Speaker, for years I have spoken out and voted against wasteful Defense spending that often serves to make us less safe and takes money from more useful programs. I am concerned that there is still too much money in this legislation for unneeded weapon systems and other outdated equipment that holds us back from the cold war and too little to deal with the challenges of today. However, I am pleased that this bill takes some steps in the direction of reform, and I hope that it provides a platform for further progress.

I support this bill because it includes provisions for the Responsibility to Iraqi Refugees Act, which I introduced in May and which were added in the Senate as an amendment by Senator KENNEDY. This bill will provide 5,000 special immigrant visas for each of the next 5 years to Iraqis at risk because they helped the United States, require the Secretary of State to establish refugee processing in Iraq and other countries in the region, and direct the Secretary of State to designate a special coordinator at the Embassy in Baghdad.

We need a wholesale change in attitude that puts the needs of Iraqis at the forefront of our Iraq policy, rather than using them as pawns in political games. It is ironic, to be generous, to hear President Bush repeatedly talk about the humanitarian crisis and massive out-flows that would follow what he called a “precipitous” withdrawal. This only illustrates the state of denial over the humanitarian crisis currently happening.

This is one area where our moral responsibility to these unfortunate people can be used to bridge the divide of disparate viewpoints in a cooperative effort that might serve as a template for how we solve greater problems associated with the war. One of the burdens of those who would be world leaders and the responsibility of those who make war is to deal with the consequences of their decisions. Innocent victims of war and civil strife are too often the invisible and forgotten casualties.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong support of this important legislation, and I commend my friend, Chairman Ike SKELTON for his leadership in crafting this bipartisan product.

I support this conference report because it focuses on the readiness crisis of the United States military and puts our men and women in uniform first and foremost. It will provide our soldiers in harm’s way with the best gear and force protection possible. As a veteran of the U.S. Army and as the Representative for Fort Bragg, I support this bill that will provide our troops better health care, better pay, and the benefits they have earned.

Army readiness is the best military in the world. Unfortunately, the current Administration’s policies in Iraq have depleted our great military and put tremendous strain on our troops. Army readiness has dropped to unprecedented levels, and Army National Guard units have, on average, only 40 percent of the required equipment. And many stateside units are not fully equipped and would not be considered ready if called upon to respond during an emergency such as a hurricane.

This conference report helps restore our nation’s military readiness by creating a $1 billion Strategic Readiness Fund to address equipment shortfalls, fully funding the Army’s and Marine Corps’ equipment reset requirements and authorizing $980 million to provide the National Guard and Reserve critically needed equipment.

This bill protects our troops in harm’s way by authorizing $17.6 billion, an increase of $865 million, for additional MRAPs vehicle armor, $4.8 billion for anti-IED road-side bomb efforts, $3.7 billion for troop support and $1.5 billion for add-on armor for other vehicles and $1.2 billion for body armor.

The measure supports our troops and their families, by giving the military a pay raise larger than requested by the President, prohibiting fee increases in TRICARE and the TRICARE pharmacy program, and strengthening benefits for the troops and their families, as promised in the GI Bill of Rights for the 21st Century.

It includes the Wounded Warrior Act, which responds to the Wally Reed Army Medical Center scandal by improving the care of injured soldiers returning from Iraq and Afghanistan—addressing many of the issues raised by the Dole-Shalala Commission and implementing several of its recommendations.

It improves accountability and cracks down on waste, fraud and abuse in contracting—authorizing $17.6 billion, an increase of $865 million, for additional MRAPs vehicle armor, $4.8 billion for anti-IED road-side bomb efforts, $3.7 billion for troop support and $1.5 billion for add-on armor for other vehicles and $1.2 billion for body armor.

The bill also includes new bipartisan reporting requirements under which DOD will regularly brief Congress on the planning taking place to responsibly redeploy U.S. forces from Iraq. It incorporates the National Guard Empowerment Act, which gives the National Guard enhanced authorities to fulfill its expanded role in the Nation’s defense, including authorizing a fourth star for the Chief of the National Guard Bureau, requiring at least one general in the Joint Staff to be a National Guard Officer, and making the National Guard Bureau a joint activity of the DOD.

It requires the Pentagon to include in its quarterly readiness reports the state-by-state capability of the National Guard to achieve its mission shortfalls, fully funding the Army Strategic Readiness Fund to address equipment shortfalls, fully funding the Army’s and Marine Corps’ equipment reset requirements and authorizing $980 million to provide the

Mr. Speaker, there are many more provisions of this important legislation worthy of support, and I urge my colleagues to join me in voting to pass it.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the yeas and nays were ordered.

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

DIRECTING THE CLERK OF THE HOUSE OF REPRESENTATIVES TO CORRECT THE ENROLLMENT OF THE BILL H.R. 1585

Mr. SKELTON. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 269) and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

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

There was no objection.

The text of the concurrent resolution is as follows:

H. CON. RES. 269
Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill H.R. 1585, the Clerk of the House of Representatives shall make the following corrections:

(1) In the table in section 2201(a)—
   (A) strike “Alaska” in the State column and insert “Alabama”;
   (B) in the item relating to Naval Station, Bremerton, Washington, strike “199,760,000” in the amount column and insert “199,960,000”;

(2) In section 2204(b)—
   (A) in paragraph (2), strike “Hawaii” and insert “Hawaii”;
   (B) in paragraph (3), strike “Guam” and insert “Guam”;
   (C) add at the end the following new paragraph:

   “(4) $71,200,000 (the balance of the amount authorized under section 2201(a) for a nuclear aircraft carrier maintenance pier at Naval Station Bremerton, Washington).”;

(3) In section 2003—
   (A) insert “(A) AUTHORIZATION OF APPROPRIATIONS.—” before “Funds”;
   (B) in paragraph (4), strike “$2,107,148,000” and insert “$2,241,022,000”;
   (C) add at the end the following new subsection:

   “(b) General Reduction.—The amount otherwise authorized to be appropriated by subsection (a) is reduced by $135,914,000.”.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.
TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007

Mr. FRANK of Massachusetts. Mr. Speaker, pursuant to House Resolution 862, I call up the bill (H.R. 4299) to extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4299

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 "Terrorism Risk Insurance Program Reauthorization Act of 2007".

(b) TABLE OF CONTENTS.—The table of contents for Sec. 1. Short title; table of contents.

SEC. 2. DEFINITION OF ACT OF TERRORISM.


SEC. 3. REAUTHORIZATION OF THE PROGRAM.

(a) T ERMINATION DATE.


(b) N OTICE TO CONGRESS.

The Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives describing the process to be used by the Secretary for determining the allocation of pro rata share of insured losses under the Program when insured losses exceed $100,000,000,000, in accordance with clause (i).

(c) REPORT TO CONGRESS.

Not later than 120 days after the date of enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007, the Secretary shall issue final regulations for determining the pro rata share of insured losses under the Program when insured losses exceed $100,000,000,000, in accordance with clause (i).

SEC. 4. ANNUAL LIABILITY CAP.

The Secretary shall issue regulations describing the procedures to be followed by the Secretary for recouping such amounts included in such premiums and any additional amount included in such premium and inserting "collected".

SEC. 5. ENHANCED REPORTS TO CONGRESS.

(a) STUDY AND REPORT ON INSURANCE FOR NUCLEAR, BIOLOGICAL, CHEMICAL, AND RADIOLOGICAL TERRORIST EVENTS.

The Comptroller General of the United States shall examine—

"(A) the availability and affordability of insurance coverage for losses caused by terrorist attacks involving nuclear, biological, chemical, or radiological materials;"

(b) STUDY AND REPORT ON AVAILABILITY AND AFFORDABILITY OF TERRORISM INSURANCE IN SPECIFIC MARKETS.

The Comptroller General of the United States shall examine—

"(1) the availability and affordability of terrorism insurance in specific markets;"

SEC. 6. COVERAGE OF GROUP LIFE INSURANCE.

Sec. 7. Large event reset.

Sec. 8. Extrinsic risk.

Sec. 9. Program trigger.

Sec. 10. Applicability.

SEC. 7. LARGE EVENT RESET.

Sec. 8. EXTRINSIC RISK.

Sec. 9. PROGRAM TRIGGER.

Sec. 10. APPLICABILITY.

SEC. 4. ANNUAL LIABILITY CAP.

The Secretary shall issue regulations describing the procedures to be used by the Secretary for determining whether mandatory recoupment will be required under this paragraph. Such estimate shall be updated as appropriate, and at least annually.

SEC. 5. ENHANCED REPORTS TO CONGRESS.

(a) STUDY AND REPORT ON INSURANCE FOR NUCLEAR, BIOLOGICAL, CHEMICAL, AND RADIOLOGICAL TERRORIST EVENTS.

(b) STUDY AND REPORT ON AVAILABILITY AND AFFORDABILITY OF TERRORISM INSURANCE IN SPECIFIC MARKETS.

SEC. 6. COVERAGE OF GROUP LIFE INSURANCE.

Sec. 7. LARGE EVENT RESET.

Sec. 8. EXTRINSIC RISK.

Sec. 9. PROGRAM TRIGGER.

Sec. 10. APPLICABILITY.

SEC. 4. ANNUAL LIABILITY CAP.

The Secretary shall issue regulations describing the procedures to be used by the Secretary for determining whether mandatory recoupment will be required under this paragraph. Such estimate shall be updated as appropriate, and at least annually.

SEC. 5. ENHANCED REPORTS TO CONGRESS.

(a) STUDY AND REPORT ON INSURANCE FOR NUCLEAR, BIOLOGICAL, CHEMICAL, AND RADIOLOGICAL TERRORIST EVENTS.

(b) STUDY AND REPORT ON AVAILABILITY AND AFFORDABILITY OF TERRORISM INSURANCE IN SPECIFIC MARKETS.
“(A) an analysis of both insurance and re-
insurance capacity in specific markets, in-
cluding pricing and coverage limits in exist-
ing policies.”

“(B) an assessment of the factors contrib-
uting to any capacity constraints that are
identified; and

(C) recommendations for addressing those
capacity constraints.

“(3) REPORT.—Not later than 180 days after
the date of enactment of the Terrorism Risk
Insurance Program Reauthorization Act of 2007,
The Comptroller General shall submit a report
on the study required by paragraph (1) to the
Committee on Banking, Housing, and
Urban Affairs of the Senate and the Com-
mittee on Financial Services of the House of
Representatives.”.

“(c) ONGOING REPORTS.—Section 108(e) of the
Terrorism Risk Insurance Act of 2002 (15
U.S.C. 6701 note) is amended—

(1) in paragraph (1)—
(A) by inserting “ongoing” before “analy-
sis”; and
(B) by striking “, including” and all that
follows through the end of the paragraph,
and inserting a period; and

(2) in paragraph (2)—
(A) by inserting “and thereafter in 2010 and
2013,” after “2006,”; and
(B) by striking “subsection (a)” and inserting
“paragraph (1)”.

SECTION 6. COVERAGE OF GROUP LIFE INSURANCE.

(a) FINDINGS AND PURPOSE.—Section 101 of
the Terrorism Risk Insurance Act of 2002 (15
U.S.C. 6701 note) is amended—

(1) in subsection (a)—
(A) in paragraph (5), by striking “and” at the end;
(B) by redesignating paragraph (6) as para-
graph (5); and
(C) by inserting after paragraph (5) the fol-
lowing new paragraphs:

“(6) group life insurance companies are im-
portant financial institutions whose prod-
ucts make life insurance coverage affordable
for millions of Americans and often serve as
their only life insurance benefit;

“(7) the group life insurance industry, in the
event of a severe act of terrorism, is vul-
nerable to insolvency because high con-
centrations of covered employees work in the
same locations, because primary group
life insurers do not exclude terrorism risks
while most catastrophic reinsurance does ex-
clude such risks, and because a large-scale
loss of life could fall outside of actuarial ex-
pectations of death; and; and

(2) in subsection (b)(1), by inserting “and group
life insurance” after “property and casualty
insurance”;

(b) DEFINITIONS.—Section 102 of the Ter-
rorism Risk Insurance Act of 2002 (15
U.S.C. 6701 note), as amended by the preceding pro-
visions of this Act, is further amended—

(1) in paragraph (1)(B)(i), by inserting “and group
life insurance” before “losses”; and

(2) in paragrahs (2) in the matter pre-
ceding subparagraph (A)—

(A) by inserting “, or group life insurance
to the extent of the amount at risk,” after
“property and casualty insurance”; and

(B) by inserting a comma after “insurer”;

and

(C) by adding after and below subparagraph (B)
the following:

“Such term shall not include any losses of
an insurer resulting from coverage of any
single certificate holder under any group life
insurance coverages of the insurer to the ex-
tent such losses are not compensated under the
Program by reason of section 103(e)(1)(D).”;

(3) in paragraph (6) (A)(i), by inserting “, or
group life insurance,” after “excess insur-
ance”; and

(4) in subparagraph (B), by inserting “or,
in the case of group life insurance, that re-
receives direct premiums,” after “insurance
coverage.”;

(A) in subparagraph (C)—
(i) by striking the first comma and insert-
ing “(i) with respect to property and cas-
ualty insurance,”

(ii) by inserting before the semicolon the fol-
lowing: “(ii) with respect to group life in-
urance, the value of an insurer’s amount at
risk for a covered line of insurance over the
calendar year immediately preceding such
Program Year, multiplied by 0.0351 percent;”;

(B) in subparagraph (G)—
(i) by inserting “with respect to property
and casualty insurance, and such portion of
the amounts at risk with respect to group
life insurance,” after “such portion of the di-
rect earned premiums”; and

(ii) by inserting “and amounts at risk
after such direct earned premiums”; and

(b) in subparagraph (F)—

(A) by inserting “Any” before “and” after “insur-
ance”;

(B) by adding after and below subparagraph (A)
the following:

“(6) by inserting after paragraph (15) the fol-
lowing:

“(15) GROUP LIFE INSURANCE.—The term
‘group life insurance’ means an insurance
coverage that provides life insurance cov-
verage, including term life insurance cov-
verage, universal life insurance coverage, variable
universal insurance coverage and accidental
death coverage, or a combina-
tion thereof, for a number of individuals
under a single contract, on the basis of a
group selection of risks, but does not include
‘Corporate Owned Life Insurance’ or ‘Busi-
ness Owned Life Insurance,’ each as defined
under the Internal Revenue Code of 1986, or
any other group or individual life in-
reurance or retrocession reinsurance.

“(17) AMOUNT AT RISK.—The term ‘amount at
risk’ means face amount less statutory
policy reserves for group life insurance
issued by any insurer for insurance against
losses occurring at the locations described
in subparagraph (A) of paragraph (5).”;

(c) MANDATORY AVAILABILITY.—Section 103(c)
of the Terrorism Risk Insurance Act of 2002
(15 U.S.C. 6701 note) is amended by striking
“During each Program Year,” and all that
follows through the end of “and group life
insurance coverage.”

(d) FEDERAL SHARE OF COMPENSATION.—
Section 103(e)(1) of the Terrorism Risk Insur-
amended by the preceding provisions of this Act,
is further amended—

(1) in subparagraph (A)—
(A) by inserting “Any” before “and” after
“insurance”;

(B) by adding after and below subparagraph (A)
the following:

“(ii) any recoupment under this paragraph
of amounts paid for Federal financial assist-
ance for insured losses for property and casu-
ality insurance shall be applied to property
and casualty insurance.

“(ii) any recoupment under this paragraph of
amounts paid for Federal financial assist-
ance for insured losses for group life in-
urance shall be applied to group life insurance
policies.”;

(g) POLICY SURCHARGE FOR TERRORISM LOSS
GROUP—SPREADING PREMIUMS.—Section 103(e)(8)
of the Terrorism Risk Insurance Act of 2002
(15 U.S.C. 6701 note) is amended—

(1) in subparagraph (A)—
(A) by inserting “with respect to property
and casualty insurance” after “annual basis”; and

(B) by inserting before the period at the end the
following: “and, with respect to group life
insurance, the amount equal to 0.0053 percent
of the amount at risk for covered
lines under the policy”;

(h) SEPARATE RECOUPMENT.—Section 103(e)(7)
of the Terrorism Risk Insurance Act of 2002
(15 U.S.C. 6701 note) is amended—

(1) in subparagraph (A)—
(A) by inserting “ ‘and’ at the end; and

(B) in subparagraph (G), by striking the per-
iod at the end and inserting “; and”; and

(C) by adding at the end the following:

“(II) the aggregate amount, for all such in-
surance, of insured losses during such Pro-
gram Year.”;

(f) SEPARATE RECOUPMENT.—Section 103(e)(7)
of the Terrorism Risk Insurance Act of 2002
(15 U.S.C. 6701 note), as amended by
the preceding provisions of this Act, is fur-
ther amended—

(1) in subsection (a)—

(A) in clause (i), by inserting “applicable
before” after “insurance”;

(B) in clause (ii), by striking “all insurers” and
inserting “ ‘all applicable insurers (pursuant
to subparagraph (G))’ ”;

(2) in subparagraph (B)—

(A) in the heading, by inserting “APPLICA-
BLE” before “insurance”; and

(B) by inserting “applicable” before “in-
surance”;

(3) by adding at the end the following:

“(G) SEPARATE RECOUPMENT.—The Sec-
retary shall provide that—

“(i) any recoupment under this paragraph of
amounts paid for Federal financial assist-
ance for insured losses for property and casu-
ality insurance shall be applied to property
and casualty insurance.

“(ii) any recoupment under this paragraph of
amounts paid for Federal financial assist-
ance for insured losses for group life in-
urance shall be applied to group life insurance
policies.”;

(2) in subparagraph (C)—

(A) by inserting “ ‘Any’ and inserting “ ‘subject
paragraph (7)(G), any”; and

(B) in clause (i), by inserting “and group
life insurance” after “ ‘insurance’ ”;

(C) by striking clause (ii) and inserting the
following:

“(ii) based on—

“(I) a percentage of the premium amount
charged for property and casualty insurance
coverage under the policy; and

“(II) a percentage of the amount at risk for
group life insurance coverage under the pol-
icy; and

“(2) in subparagraph (D)—

(A) by inserting “with respect to property
and casualty insurance,” after “annual basis”;

(B) by inserting before the period at the end the
following: “and, with respect to group life
insurance, the amount equal to 0.0053 percent
of the amount at risk for covered
lines under the policy”;

SECTION 7. LARGE EVENT RESET.

The Terrorism Risk Insurance Act of 2002
(15 U.S.C. 6701 note) is amended—

(1) in section 102(7)—

(A) in paragraph (F), by striking “and” at the end;

(B) in paragraph (G), by striking the per-
iod at the end and inserting “; and”; and

(C) by adding at the end the following:

“(II) notwithstanding subparagraph (F)(i), if
aggregate industry insured losses resulting from
a certified act of terrorism exceed
$1,000,000,000, for any Program Year that
sustains insured losses resulting from such act of
terrorism, the value of such insurer’s direct
earned premiums for the calendar year im-
mediately preceding the Program Year, mul-
tiplied by a percentage, which—

“(i) for the Program Year consisting of cal-
endar year 2008 shall be 5 percent; and

“(ii) for each Program Year thereafter, shall be 50 basi points greater than the per-
centage applicable to the preceding Program
Year, except that if an act of terrorism occurs during any such Program Year that results in aggregate industry insured losses exceeding $1,000,000,000, the percentage for the succeeding Program Year shall be 5 percent and the increase under this clause shall apply to Program Years thereafter;

except that for purposes of determining under this subparagraph whether aggregate industry insured losses exceed $1,000,000,000, the Secretary may combine insured losses resulting from two or more certified acts of terrorism occurring during such Program Year in the same geographic area determined by the Secretary, in which case such insurer shall be permitted to combine insured losses resulting from such acts of terrorism for purposes of satisfying the insurer deductible under this subparagraph; and except that the insurer deductible under this subparagraph shall apply only with respect to compensation of insured losses resulting from such certified act, or combined certified acts, and that for purposes of compensation of any other insured losses occurring in the same Program Year, the insurer deductible determined under subparagraph (F)(i) shall apply.”; and

section 103(e)(1)(B).

(A) in paragraph (i) strikethrough the period at the end and inserting a semicolon; and

(B) by adding after and below clause (ii) the following:

“(ii) ‘certified act of terrorism’ means—

(iii) any foreign terrorist incidence or attack which results in aggregate industry insured losses exceeding $1,000,000,000 in any Program Year.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and insert extraneous material on the pending legislation.

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

There was no objection.

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

Mr. Speaker, I am pleased to report that the House passed a version of the terrorism risk insurance program by a large vote, 300-something to 100-something, earlier this year. It happened after a very open process at the subcommittee and committee level. We had a very good set of meetings. There were concerns raised. I think there was general agreement that terrorism insurance had to go forward, but there were some very legitimate debates about how to do it. Not all of them, obviously, have been resolved.

We had, unusual for our committee and I think for other committees, a full markup in subcommittee followed by a full markup in committee. The bill that emerged was much closer to a consensus product, although obviously not unanimous. There were amendments offered by both sides. The art of compromise worked out. We came to the floor. It wasn’t as open a process as I would have hoped, but it still represented, we thought, a fairly good piece of legislation, and, of course, it got well over 70 percent of the House Members voting for it. Then it went to the Senate and nothing happened for a very long time, and I regret that. We had hoped that we would continue this process and in fact have a conference. The Senate did not act.

Finally, the Senate acted and sent us a bill which was an extension of the current program, better in my view than the current program, not as comprehensive as the bill we passed. And we were told by the Senate, as we have been from time to time to this year: This is all we can do. Take it or leave it. That seemed to me to be a problem and, now, not so much for substance as for institutional concerns. Members have asked, well, in the end we may just have to accept what the Senate sent us. That is possible, and we have preserved the option to do that.

Please be very clear, Mr. Speaker. We are here dealing with a new bill that we introduced. The Senate bill still sits at the desk. It will be available if the Senate continues to refuse to act in any kind of a bicameral manner. I am not even sure, yet, Mr. Speaker, on some important issues, the most important of which is the institutional one. It is simply not in the spirit of the United States Constitution for one of the Houses to say, this is in the bill or we leave it out. I think you can see, when you contrast the way in which the two Houses acted. We had subcommittee and committee markup and debate on the floor. The Senate had one of their not very open processes. The bill emerged from some quiet conversations among the senior members of both parties and went to the floor, no amendments, no votes, here it is. As I said, I regret that. We may not be able to prevent it from happening in this instance. I do think it is important for us to see to it that we do not want to see this sort of procedure repeated.

So what we did was to in effect have a virtual conference. We looked at the Senate bill, we looked at our bill, and we came up with what I think might well have resulted had there been a conference. The bill we passed had a 15-year extension. The reason for a long extension is that we are talking here about building projects. We are talking about the need for terrorism risk insurance if we are to get large commercial buildings, or residential, but especially commercial buildings built in our big cities. You can’t get those buildings obviously without bank loans and you can’t get the bank loans without insurance. That is why the Chamber of Commerce scores this as an important bill, why the real estate industry, the cities, a whole range of business and urban interests tell us this is important. And you need to have some assurance of stability in order to do it.

We thought 15 years. The Senate said 7 years. We didn’t here come with a split-the-difference. We have accepted
the Senate’s 7 years. We were told at the last minute that there was a PAYGO problem in a calculation by the Congressional Budget Office that I still do not understand, but we have no option but to abide by it. We came up with a number which was far too low, far too small, far from a very good one. The Senate came up with, and I give them credit here, a much better PAYGO solution. They had more time to work on it, but they did it well. We have accepted the Senate PAYGO. So we accept that term of years, we accept that PAYGO solution.

We had also broadened this from simply being in case a building was destroyed; this group life insurance and protection against what sadly we cannot rule out, nuclear, biological, chemical, or radiological attacks. The Senate rejected both of those. We split the difference. We accepted their rejection of nuclear, biological, chemical and radiological attacks. We did feel that group life insurance should be included. I should say that including the group life provision is something that was called to our attention on a bipartisan basis by our colleagues from Florida, which says that you should not have your life insurance cancelled if you go to Israel. That is basically what we are talking about, or maybe some other areas where the insurance companies think they have a legitimate concern. We think they have a legitimate concern.

We are asking the Senate again to consider them. We can’t compel that. But I think it would be a mistake for us to set the precedent that, when they confront us with these ultimatums, that we simply cave in. Let me repeat, because I got it right now. I was quoting before the lyric from “MacArthur Park.” What the Senate tells us is, Look, we were able to do this, but we can’t do it again. You have to accept it as it is. And the theme song apparently is, if people will remember: I will say it because I sing something awful.

“Someone left the cake out in the rain.
I don’t think that I can take it
Cause it took so long to bake it
And I’ll never have the recipe again.”

If someone in the Senate tells us, we left the bill out in the rain, or at least they are telling us that if we were to try to change it, we would be leaving the bill out in the rain, and they couldn’t remake it because they don’t have the recipe.

Mr. Speaker, I think it’s time to send the Senate back to their recipe books and ask them to keep track. I understand in the end we may not be able to change things, but I do not want this House simply at this point to say, Okay, you gave us an ultimatum, we accept it.

I would hope, and we are going to be here obviously next week, that the small life insurance companies, people interested in the ability to travel to Israel and others would then at least go to Senators and say, Can’t we at least even have a vote on this? Can’t you even consider this?

And that is why I ask that today we send this bill back over. We retain a vehicle if the Senate remains impervious, but I think it’s worth a try.

I reserve the balance of my time.

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

Members of the body, first let me address the practicalities of where we are. I am going to talk about the policies in a few minutes after others have had an opportunity to speak, but let’s just talk about where we are.

The chairman has talked about the Senate this, the House this. But the legislation that the Senate完备 expires December 31. That is in 19 days. Businesses across the country are trying to arrange their insurance coverages for next year, and they have no certainty as to whether or how much there will be a Federal safety net in place. So the question remains: Is there just not time?

Even if Congress were to act today, there is hardly time enough for insurance companies to develop new policy forms, to obtain approval from 50 State regulators, to get them in the marketplace for review by the brokers, and to finish negotiating coverage with their policyholders. There is just not time.

Now, it can be the Senate problem. The House passed a bill earlier this year. That is all true, but that doesn’t change the facts. Nine days. Nineteen days. Each additional day that we fail to get a bill on the President’s desk means less ability in the marketplace to adjust and to respond to the new mandates in this program, or the Senate program, perhaps mandates on domestic terrorism. Policies are going to have to be rewritten. And both the House and the Senate bill does that, so it doesn’t really matter which bill ultimately passes.

Mr. Speaker, I share Chairman Frank’s frustration with the Senate. He described this ping pong, back and forth. A House-Senate conference would have been nice to work out our differences, although in a minute I will say why I personally believe the Senate bill is more in keeping with our original intention. The chairman of the full committee and I were two of the authors of the original legislation. And it says in that legislation it was intended that this program was to act as a stopgap until the private market could fill in, and I will talk about that and why I support the Senate bill later.

But as a practical matter, whether I supported the Senate or the House bill, there is only one bill that is going to pass. I think the chairman knows that, I know that, Members of this body know that. That’s the Senate bill.

The administration has indicated they are going to veto anything but the Senate bill. If we put this behind us and adopt legislation that has a realistic possibility of becoming law, and to do it right now. We need to do that on the alternate minimum tax. It is staring us in the face.

Mr. Speaker, I don’t think the American people, the taxpayers, I don’t think the accounting industry care whether or not the Senate did this to the House or the
House did this to the Senate. On terrorism insurance, I don’t think the insurance companies, the developers, the policyholders, I am not sure they care about all the internal fights between this body and that body. They are caught in the middle, and you have a bill available that the Senate bill that will go to the President to be signed and take away this uncertainty.

The Senate has made it clear that they are not going to pass the legislation that the chairman is offering. It is not perfect. The White House has issued a Statement of Administrative Policy indicating that if presented with the bill we are going to vote on today, the President will veto it. That’s with less. The Senate is not going to take it up, so it won’t ever get to the President. So that is just theoretical because the Senate said they are not going to pass it. And we have 3 weeks left before the program expires.

Now, some of our Members think that the private market, that the TRIA 5 years after 9/11, a 3-year bill and a 2-year extension, that TRIA has served its purpose. And in a few minutes I am going to talk about the Treasury and that they believe that it has fulfilled its purpose and from now on it just retards the private market.

But we can vote this bill down, we can bring up the Senate bill, and we can put a bipartisan TRIA extension on the President’s desk. We can do it this week. The time for further deliberation or argument has passed. Time has run out on us.

With all due respect to the chairman of the House Financial Services Committee, I recommend we vote down this legislation, we bring up the Senate legislation, we do it in a motion to recommit, we do it in a unanimous consent, we do it in a suspension. We move it, we pass it over to the Senate, and we end the uncertainty.

If it is such a vital program that many Members think it is, why don’t we need it in place? Why would we wait until a week or two even after it expires to reauthorize it?

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

Mr. FRANK of Massachusetts. Mr. Speaker, first of all, there is no chance of waiting until after it expires. I don’t know why the gentleman would have said that. He knows there is zero chance of that.

Now, I agree it has waited too long. But I would have been more impressed with the urgency if I had had people joining us in trying to get the Senate to act. We passed the bill months ago. We would have liked to have seen an act. But I didn’t hear all this passion trying to force the Senate to act, and it was partly the minority in the Senate that was blocking it, that is, block the ability to have a conference.

Here is the point. I think telling the life insurance companies that they should not be restricting people’s ability to travel unfairly is important. We think group life is important. We think that not allowing your community to be disadvantaged if it has been attacked once is important. And we may not be able to accomplish this even if we do pass it, it is important not simply to cave in and say those aren’t even worth fighting for.

We are going to send a message, I hope, by voting for those principles because we pass the bill this year, and we may be in a different position, but we will be back here in a month or two and we hope to renew some of these things.

So I just reject the notion that the Senate can achieve this by waiting and waiting and waiting and then saying, Oh, well, there isn’t enough time. There is not enough time because they held it up. No one can seriously argue that having seen this delay of many months, and again I didn’t hear all this passion to make the Senate act for all of those months, nobody can argue that another day or two is going to make a difference. And that’s what we’re talking about.

So I reiterate, there is no chance of this expiration body knows that. We have preserved our ability at any point simply to accept this bill. The question is do we give up now or do we send them the message that the ability to travel to Israel, the concern for the small life and ability to insure commercial properties and the concern for group life and not just property, that those are important issues.

We can take that vote today and send that message. And if we have to, we will accommodate reality. But we will have sent that message, and it gives us a basis upon which to act next year.

I yield now 6 minutes to the gentleman from New York (Mr. ACKERMAN).

Mr. ACKERMAN. Mr. Speaker, it has been almost a year since the Committee on Financial Services began the process of reauthorizing the terrorism risk insurance program. It has been 9 months since our committee held a field hearing in New York at which we heard experts, insurers, developers and reinsurers testify about the private market for terrorism insurance which has not grown enough since 9/11 to sufficiently meet the demand in many of our Nation’s high-risk areas.

It has been over 4 months since we held a subcommittee and a full committee markup and almost 3 months since the House overwhelmingly approved H.R. 2761, a strong reauthorization that would have extended TRIA for 15 years, provided group life insurance as well as nuclear, chemical, biological and radiological coverage, and significantly lowered the program’s trigger level.

Most importantly of all, and after constructive negotiations and compromise with the minority, the House bill included a reset mechanism to address increased capacity shortages following major terrorist attacks such as those that may occur anywhere in our country.

And yet despite a proactive bipartisan effort in the House spearheaded by Ranking Member BACHUS, we find ourselves in the 11th hour with TRIA set to expire at the end of the month, and we are faced with a weak Senate bill that was deliberately sent to us only after we had recessed for Thanksgiving, effectively killing the necessary process between the two Chambers.

The Senate bill, a 7-year reauthorization that only amends the TRIA program by eliminating the distinction between foreign and domestic acts of terrorism simply does not provide developers, insurers, and reinsurers with enough of the stability they need in our free-market economy to plan, finance, insure and build our Nation’s major development projects. Mr. Speaker, for TRIA to be truly effective in addressing the shortages in the terrorism insurance market, we must recognize that the market is dynamic. The terrorism insurance market behaves much differently in the wake of a terrorist attack than it does before an attack. The reset contained in this compromise bill is identical to the reset provision that was included in the House-passed TRIA extension in September, on which I and Mr. Baker sat on the minority came to a mutually acceptable agreement. Under those terms, which are in this compromise bill, in the event of a terrorist attack with losses of $1 billion dollars or greater, the deductibles for any insurance company that pays out losses due to the event immediately lower to 5 percent while the nationwide trigger for any insurer for future events drops to $5 million.

Mr. Baker and I also reached agreement on my proposal to enable the Secretary of the Treasury to aggregate the total losses of two or more attacks that occur in the same geographic area in the same year so if the total insured losses of those events are over a billion dollars, the reset mechanism would be triggered. The inclusion of this language is absolutely vital to every high-risk area across the country, and many of us consider this to be the most essential, must-be-included aspect of the legislation.

My colleagues may recall that the TRIA extension passed by the House in September was subject to PAYGO concerns because the CBO had assessed its cost at roughly $10 billion over 10 years. With this CBO score, some of our friends on the other side of the aisle argued that even though no funds would have been appropriated unless the country was attacked, our bill would have been too much of a burden on the American taxpayer. Not knowing who else to blame for an attack, I disagreed with that view and with the CBO scoring; but I, too, am committed to a fiscally responsible bill.
I am pleased to say that my fiscally conservative friends on both sides of the aisle can now vote for this bill without any hesitation thanks to the inclusion of language from the Senate bill, and more significantly, because the Administration, this compromise legislation has been assessed to a positive CBO score of $200 million. Let me say that again. This compromise bill that we are debating today will result in a net gain of $200 million. Legislation that protects developers and the insurance industry from terrorist attacks and provides taxpayers with a return on their dime is something that I believe we should all support.

Mr. Speaker, the next terrorist attack against the United States, like the one on 9/11, is going to damage more than just buildings. We must acknowledge that the structural losses associated with a terrorist incident will be accompanied by the loss of human life. The legislation before the House today recognizes this fact and includes group life insurance coverage because this Congress is concerned not only with the value of buildings but the people inside them as well.

One bill lowers the program trigger in the Senate bill from $100 million to $50 million. Our lower trigger would prevent smaller insurance companies from being priced out of the terrorism insurance market. And, with a greater supply of reinsurance, we can expect a higher degree of stability for large-scale developers all over America.

Mr. Speaker, in the absence of a formal conference which most of us in this House today recognize is not what we want, we have taken it upon ourselves to consider this legislation in which we have compromised with the Senate on many of its issues but hold firm on those provisions that we believe must be included. The legislation before us contains a reset mechanism, group life coverage, and lower triggers. I urge all of our colleagues to support this important compromise legislation and, as the clock strikes 11:59, to place the burden of responsibility back on the broad shoulders of the United States Senate.

Mr. BACHUS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding.

I am reminded of a quote from late President Reagan, and perhaps I can paraphrase the closest thing to eternal life on Earth is a Federal program.

Indeed, we have had speaker after speaker come before in this debate to tell us how TRIA was going to be a temporary program. And I see the able chairman of the Capital Markets Subcommittee. I wasn’t here in this body when TRIA was originally passed, but I took the time to review the record of the debate. At that time she said, “We are working to get our economy on track with a short-term program that addresses the new terrorist threat.” The gentleman from Pennsylvania, the chairman of our Capital Markets Subcommittee said, “We wisely design the TRIA Act as a temporary backstop to get our Nation through a period of economic uncertainty until the private sector can come up with a long-term solution.”

And if you look at the RECORD, Mr. Speaker, of those who proposed TRIA in the first place, all said it would be a temporary program. Perhaps temporarily is in the eye of the beholder. What started out as a 3-year program has since become a 5-year program. The House attempted to extend it 15 years. I think we are now looking at a 7-year extension. I believe for all intents and purposes, we are looking at giving birth de facto to a new Federal permanent insurance program to go along with the scores of others, few of which are financially sound.

So again, what was meant to be temporary, and I hope had I been in this body at that time I would have voted for it. I took the time to review the first extension, and I supported that extension. I believe there was, indeed, a great calamity in this marketplace. I believe that people in the marketplace needed time to react, to plan, to model.

But again, is this something that is going to go on in perpetuity?

The question again is begged, and that is, Who can do a better job in the reinsurance market, the Federal Government or private industry? I have no doubt that private industry would love to have the subsidies that are represented by TRIA. Any time the government is going to hand out something free or at a subsidized rate versus the market rate, who wouldn’t accept it? Such a deal. I certainly understand that they might be favoring this.

Now, I haven’t heard in this debate, but in previous iterations of the debate I have heard many come and talk about the great tragedy of 9/11, and I want to let it be known again, we are not talking about terrorism reinsurance. It does nothing to prevent terrorism in the first place. We are talking about coming in after the fact and providing this Federal backstop, which many of us don’t believe is any longer necessary, putting the taxpayer on the hook at a time when markets could develop.

I would take the argument more seriously if more people on the other side of this aisle would strengthen, for example, the FISA legislation. Unfortunately, many of them are voting to make it even more difficult for our Federal Government to listen in on the conversations of known terrorists. Most of the Democrats, most of my colleagues on the other side of the aisle, Mr. Speaker, in May voted against the Hoekstra amendment to the Intelligence Authorization Act which would have eliminated that section of the bill requiring the Director of National Intelligence and the Attorney General to cooperate. I paraphrase him, to study bugs and bunnies instead of suspected terrorists. They have supported expanding the legal rights of terrorist detainees, holding up passage of the 9/11 Commission Recommendation Implementation bill to give union bargaining advantages to TSA screeners, and the list goes on and on.

And if we want to talk about terrorism, let’s talk about what we can do to prevent it in the first place as opposed to what we can do to subsidize large insurance companies after the fact.

Another point I would like to make, and everybody is certainly entitled to their own opinion, and I have looked very carefully at the President’s working group position on this, and they have observed what I have observed, and that is the availability and affordability of terrorism risk insurance has improved since the initial terrorist attacks. And despite increases in risk retentions under TRIA, insurers have allocated additional capacity to terrorism risk. Prices have declined. Take-up rates have increased.

I simply don’t buy into the argument, Mr. Speaker, that we have a market failure here that somehow, some way the market can’t create this particular insurance product.

I mean, how are we ever going to know, once again, if we’re going to hand out something free or at a subsidized rate as opposed to having to buy it at the market rate?

And let me quote from the President’s working group: “The absence of subsidized Federal reinsurance through TRIA appears to negatively affect the emergence of private reinsurance capacity because it dilutes demand for private sector reinsurance.”

Now, some have said, well, again, that terrorism is a very unique risk. Well, of course it is. But our reinsurance industry has faced these challenges in the past. In the past, they had to figure out how to model for the risk of loss of electronic data. At one time in our history they had to figure out how to model for airline crashes.

Many say that we will never have major construction in the United States unless we have a government, Federal reinsurance backstop for acts of terrorism. I simply don’t observe that in real life.

And how, Mr. Speaker, during the Cold War, when thousands of nuclear weapons were poised, aimed at our Nation, how did construction take place during that time in our history? Yet there are those who will maintain that somehow it cannot take place today.

I simply don’t say that terrorism is not an important aspect of our market. It is. But I disagree with those on the other side of the aisle who say that even after 5 years that the market is simply incapable of creating a product that those who wish it can pay for and support.

Another point I would make is that even if this were a valuable program to the Nation, what are we going to do to
Our country, at our Pentagon, a symbol of our military strength, and New York, one of the symbols of our economic strength. And after that attack, this body was united and determined, and I thank all of my colleagues for your aid and support.

But the most important act by this body to get New York moving again and our other economic centers was voting for TRIA, the anti-terrorism risk insurance plan.

My good friend stated that construction can go forward without it. After 9/11 you could not even build a hot dog stand. Nothing moved until we got the anti-terrorism risk insurance in place.

I am told by the businesses in New York and other large cities in our country that they cannot get insurance now. They get insurance up to the date that TRIA expires, and they are not given insurance unless there is agreement or a condition that TRIA will continue.

He argued that TRIA was not homeland security. I will say very strongly that part of our homeland security is our economic security, and a very important part of our economic security is having a Federal support system for terrorism risk insurance.

The TRIA bill was a top priority of the Financial Services Committee. It was one of the first bills reported out, and I thank Chairman Frank for his continued support for a long-term TRIA, including a reset provision to increase the availability of terrorism insurance for areas that have been targets of terror acts like my city of New York.

The reset language in this bill, though, treats equally everyone across this country. We are including in this bill absolutely everything that was in the Senate-passed bill. The only change is we come from the 15 years down to the 7 years of the Senate. But the other provision is more important, we are putting back in, such as the lower trigger level so that more insurers can be part of this program. This is very important. Group life insurance. Life insurance for fairness for travelers, and the very important reset mechanism for the anti-terrorism risk insurance.

We need this bill and we need it promptly to avoid interruptions in coverage and the disruptions that that will cause in our economy.

I would submit that the White House has become a very important part of this program. This is very important. Group life insurance. Life insurance for fairness for travelers, and the very important reset mechanism for the anti-terrorism risk insurance.

We need this bill and we need it promptly to avoid interruptions in coverage and the disruptions that that will cause in our economy.

The administration’s continued opposition to this bill is another example of the stubborn wrongheadedness for which this White House has become renowned.

On a bipartisan basis, business leaders, law enforcement, and the American people strongly support a long term TRIA bill that protects our economy and our security.

Recognizing the significant benefits that TRIA has for our entire economy, the US Chamber of Commerce said, and I quote:

"The Terrorism Risk Insurance Act has promoted long-term availability of terrorism risk insurance for catastrophic terror events and has provided a standard of stability for financial markets and recovery after such an attack. TRIA has provided jobs and helped America’s economy grow despite the continuing terrorist threats against the United Nation."
Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

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

Mr. FRANK of Massachusetts. The gentleman said why put the provision in if it’s not going to talk about group life? Because I don’t think that we should have a de facto amendment to the House rules that puts the Senate in charge of what we can discuss.

Mr. BACHUS. Well, as I said a few minutes ago to the chairman, with all respect to the chairman, we have 19 days. We’ve talked about the importance, particularly on that side of the aisle, and many Members on our side, the importance, if we are going to have a bill, let’s have a bill. If the program is important, let’s have the program. Let’s not let it expire.

If terrorist risk insurance will shut down New York, if in the absence of the Government standing by, and it’s New York, why would we let a bill expire that will, quote, shut down the economy of New York? We have an alternative. The alternative is to pass a bill that passed unanimously in the Senate.

EXECUTIVE SUMMARY

The Terrorism Risk Insurance Extension Act of 2005 requires the President’s Working Group on Financial Markets (PWG) to perform an analysis regarding the long-term availability and affordability of insurance for terrorism risk, including group life coverage, and to submit a report of its findings to Congress by September 30, 2006.

In conducting this analysis, the PWG was assisted by staff of the member agencies who reviewed academic and industry studies on terrorism risk insurance, and sought additional information and consultation through a Request for Comment published in the Federal Register. Staff also met with insurance regulators, policyholder groups, insurers, reinsurers, modelers, and other governmental agencies to provide feedback.

The key findings of the PWG’s analysis are set forth below. The findings are presented under three main areas: the general availability and affordability of terrorism risk insurance; coverage for group life insurance; and coverage for chemical, nuclear, biological, and radiological events. Further detail on each finding is provided in the body of the report.

KEY FINDINGS

Long-Term Overall Availability and Affordability of Terrorism Risk Insurance

The availability and affordability of terrorism risk insurance have improved since the terrorist attacks of September 11. Despite increases in risk retentions under TRIA, insurers have allocated additional capacity to terrorism risk, prices have declined, and take-up (purchase) rates have increased.” But we extended it.

And then we passed the legislation that the chairman has talked about today, and it went over to the Senate. And the Senate, unanimously, passed a TRIA bill. The Republicans and Democrats came together and passed that legislation, and the President said he would sign it.

Now, there are things about this bill that some of my colleagues on this side support. The gentlemen from Florida has said they’re going to include group life. Why put a provision in about group life when the Senate has already said they’re not going to include group life?

The financial health and capacity of insurers has recovered since September 11. There are few issues so important to our Nation’s economy as a stable long term federal support system for terrorism risk insurance.

We must pass the TRIA bill and we need it promptly, to avoid interruptions in coverage and the disruptions that will cause.

We all fervently hope there will be no more terrorist attacks on our soil. But we must recognize that capacity against that dreadful contingency is a fundamental part of making our country safer. It is a part of homeland security that we cannot afford to ignore. I urge my colleagues to support this bill.

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

Mr. Speaker, the Terrorism Risk Insurance Act, TRIA, provides a federal backstop to private insurers to protect them against acts of terrorism in the United States so they can continue to offer terrorism insurance. It was enacted, as all of us recall, right after 9/11 for 3 years as a temporary measure. It was intended to give the insurance industry developers a 3-year period of transition to a private market, allowing them to stabilize to price terrorism risk, and the third goal was to rebuild capacity.

Now, in 2005, Republicans agreed. We came together bipartisannly and extended it for 2 years. However, that same uncertainty and a lack of terrorism insurance was manifested as we were about to the close out 2 years as we went into the last year of the program. And here’s what they said. They said, by 2005, 2 years ago, the program had achieved all its purposes. The insurance market had stabilized. They were pricing terrorism insurance, and they were rebuilding capacity.

I will submit for the RECORD the Treasury Department study that they found had achieved all its goals. Now, let me read from the Treasury study of 2 years ago: The availability and affordability of terrorism risk insurance has improved since the terrorist attacks of September 11. Despite increases in risk retentions under TRIA, insurers have allocated additional capacity to terrorism risk, prices have declined, and take-up (purchase) rates have increased.” But we extended it.

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KEY FINDINGS

Long-Term Overall Availability and Affordability of Terrorism Risk Insurance

The availability and affordability of terrorism risk insurance have improved since the terrorist attacks of September 11. Despite increases in risk retentions under TRIA, insurers have allocated additional capacity to terrorism risk, prices have declined, and take-up (purchase) rates have increased.” But we extended it.

And then we passed the legislation that the chairman has talked about today, and it went over to the Senate. And the Senate, unanimously, passed a TRIA bill. The Republicans and Democrats came together and passed that legislation, and the President said he would sign it.

Now, there are things about this bill that some of my colleagues on this side support. The gentlemen from Florida has said they’re going to include group life. Why put a provision in about group life when the Senate has already said they’re not going to include group life?
has been improvement in the financial health of the insurance industry, which plays a role in how much capacity an insurer is willing to expose to terrorism risk. Since September 11, property and casualty industry has risen, although states regulate commercial insurance coverage. In terms of pricing, it is unclear whether these requirements have reduced capacity significantly. State laws and regulations govern various aspects of the insurance marketplace. Due, for instance, on the increased rate of terrorist attacks on assets. As a result, insurers have more available capital to allocate, and they apparently have chosen to allocate additional capital to terrorism risk insurance, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools. The willingness of group life insurers to provide terrorism coverage, as part of employee benefit packages along with other benefits, such as medical, dental, vision, and disability. In some cases group life insurers have made use of these tools.
Houses, one, the Senate, that runs every 6 years, and they made a distinct decision to have the Members of the House of Representatives run every other year because the power of the House closest to the people is that House. That is what we look to the most responsive to the day-to-day delicacies of their needs. This is what we’re doing here. And the day-to-day delicacies says we’ve got to pass the most significant, the most meaningful terrorism risk insurance program possible. There’s no greater threat we face.

My colleagues on the other side have said, well, why can’t the private sector do this? The private sector has come to us. We don’t know how catastrophic these events may be. But one thing is for certain. Mr. Speaker, we must not allow the terrorists to shut down and destroy our economy. And unless we have this backstop, the insurers have said they cannot rebuild.

Now, let’s be clear, the insurers have come to us, who we’ve got to listen to, to say we need this backstop so that the economy will be stable. Perhaps we may not need to use it. Let us hope and let us pray that we will not have to.

But, Mr. Speaker, an ounce of prevention is worth a pound of cure, and we must prepare for the storm before the hurricane is coming.

This is not a giveaway program. This is not a subsidy program. This is an insurance program, insurance that we hope and we pray that we will not need. But if we do, it is the House of Representatives that are responding to say, We need to insure life, not just property. You ask the American people. Property you can get again and again. Buildings you can rebuild. But a life, a life is gone like that and must be insured.

This is the House of Representatives speaking, and I urge passage of this bill.

Mr. BACHUS. Mr. Speaker, we have 19 days till this program expires. Now, if, as you have said, this is such an essential program, we need to pass a bill today. The industry needed 6 months. They’ve only got 19 days. Policies have to be written. We can continue to talk about not letting the Senate run over the House. We can continue to say we’re going to stand up for our version of the bill, but ask yourself this question: How could 100 Senators, both Republicans and Democrats, come up with a unanimous bill, which many of us in this bill support, and the President said he will take it up and sign it, why are we here today delaying the extension of what many of you have argued on the floor today is a very important bill?

I’m going to say it again. Even if Congress were to act today, there’s not enough time for insurance companies to develop new policy forms. There’s not enough time for 50 State regulators to approve those forms. There’s not time to get the finished product to the marketplace. There’s not time to negotiate with policyholders.

So this idea that we don’t have to pass it today, no, we don’t have to pass it today. No, we don’t have to pass it tomorrow. We passed it 6 months ago. We did. The Senate passed a different version, and we are arguing at the end of this session, 19 days before this program expires, as to differences between the Senate and the House version.

And quite frankly, as I have said, the Senate version, which is the version the Treasury Department urged on the House, the version the President has said he will sign, the insurance industry’s happy with. It extends the TRIA program. Why are we here delaying? As I said, we’re delaying this. We’re putting this program at jeopardy. We’re postponing a decision on AMT. The IRS is not going to have time to react to that, and here we are as if we have all the time in the world.

The American people are not interested in differences between the House and the Senate bill. I believe the American people, you know, if a bill can pass unanimously out of the Senate, which it did, and the President take it up, why does this House continue to debate long after the time to act and pass legislation? It should have happened 6 months ago. It can happen today. It should happen today.

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

Mr. FRANK of Massachusetts. Mr. Speaker, I would just say the gentleman from Alabama appears to have the Senate’s preference for conflict avoidance confused with genuine consensus.

There weren’t 100 votes for that. They didn’t have a roll call vote. They’re barely able to act, and so a couple of Members worked out a deal, and I hope they go to their graves saying we were wrong. But the notion that that comes with some great significance clearly misunderstands what’s happening, and it certainly shouldn’t keep us from legislating.

Mr. Speaker, I yield 2 1/2 minutes to the gentleman from New Jersey (Mr. SIRES).

Mr. SIRES. Mr. Speaker, I rise today in support of H.R. 4299, the revised terrorist insurance act reauthorization. We’ve heard a lot today about how important this legislation is for New York, but it’s also just as important for my home State of New Jersey, the region and this Nation.

I have said before on this floor that I represent the two most dangerous terrorist risk areas. I represent the tunnels, the Lincoln and the Holland Tunnels. I represent the ports, and I also represent the region which also has the largest repository of fuel on the east coast of the country. I represent New York and Jersey City, which are both considered high threat areas. I know firsthand what it is like to have a district that deals with the threat of terrorism every day. That is why it’s so important for my district, my State and the entire Nation that we extend TRIA in a way that ensures stabilization for all businesses across this country, as well as those in high-risk areas. Last year, New York City created some 50,000 jobs. It is thought that in the next 10 years New York City could possibly create another 500,000 jobs. That is one of the reasons New Jersey and New York are talking about a new trend to bring people of those jobs, and they need this stability to know that these businesses can come into this city so those people can fill those jobs. And that’s the engine not just for New York City or New Jersey but for the region and this country, quite frankly.

And I want to thank, at this time, Chairman FRANK for his hard work on trying to form a compromise on this bill while holding true to important aspects of the TRIA package already passed by this House. It is important that any TRIA reauthorization legislation include reasonable trigger levels, group life insurance and a reset mechanism.

And I urge my colleagues to support this bill, and I just want to end by saying I came to this Congress not to follow in lockstep with the Senate. I came in to represent my district, not knowing that I would have to bow to the Senate. This is important legislation today, and I urge my colleagues to support this legislation.

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

It’s all come down to this. We can continue to debate the Senate, we can continue to try to change this bill, or we can pass a bill, send it to the President, which extends this vitally important program as so many speakers on the majority side have said. Let’s be honest with ourselves. We know that this bill should have passed 6 months ago. We know it probably should have passed 9 months ago. We know that it will not pass in time for new coverage to be written January 1. We know that. So here we are, arguing differences with the Senate, but I think the first thing we ought to acknowledge is the Senate unanimously passed this bill. Now, the chairman says that two people got together, agreed on everything and have us with ourselves. We know that this bill should have passed 6 months ago. We know it probably should have passed 9 months ago. We know that it will not pass in time for new coverage to be written January 1. We know that.
House. They don’t care whether the House didn’t get its way and the Senate did. The bill the Senate passed, I’m not supporting it because it’s not only the only thing available today, although it is. Let me again read to you what the statement of the administration is.

The administration continues to believe that any TRIA reauthorization should satisfy these three key elements. One, it should be temporary and short-term, there should be no expansion of the program, and private sector retention should be increased. That was the original policies and the original bill we passed. However, the bill we’re presenting now, because we believe that this program, what some of us say, well, actuaries might argue, does, many of us, that the program has its way on certain provisions. And listen, I don’t have its way on certain provisions. It’s time for us to say, Okay, we didn’t settle all our differences with the Senate, and we can do that. And, quite frankly, I am very happy that it is the Senate bill we’re presenting, because the Senate bill is very, very close to what we Republicans some year ago proposed. And we’ve gone through a year.

Provisions the House has not gotten its way on certain provisions. It’s time to act. It’s time past to act, and we’re going to have that opportunity today. We’re going to have the opportunity to extend what you say is a vital program, what some of us say, well, actually is gutting what we believe because we believe that this program continues to be a free Federal backstop for private insurers and developers, and that’s okay.

We want development, just like you do. We don’t believe, as the Treasury does, many of us, that the program has served its purpose and it is actually impeding the private market, but we don’t have to get there. We have compromised our beliefs and are willing to vote for a 7-year extension. The Senate unanimously came together and compromised their various differences and voted unanimously for a version the President has said he will sign.

The Founding Fathers created two Chambers, two bodies, and the opinions of this body are as important as the opinions of the other body. And sending a strong message about the reset provisions and about the group life provisions for the policyholders that you say don’t care about those provisions is why we have a bicameral Congress.

The other issue that I want to raise is that the life insurance fairness provision in this legislation, which you have strongly supported consistently, it is not dependent upon group life being included in this legislation overall and it has no ties to that provision.

In the 109th Congress, we passed a bipartisan version of TRIA that included a provision that says that individuals will not be denied life insurance coverage based solely on where they might lawfully travel, and that is included in this provision as well. Too often life insurance companies deny the application of life insurance to individuals who say don’t care about those provisions in the set-up. That’s particularly true when people say that they plan to travel to Israel because Israel and 26 other countries appear on the State Department’s travel warning list. The life insurance industry is using the State Department’s travel warning list as an underwriting tool. It was never intended to be an underwriting tool. Countries don’t make that list based on an actuarial analysis. There are political and diplomatic considerations for those appearing on that list. Travel fairness language will protect consumers from unfair life insurance discrimination on the basis of past or future lawful travel, and this provision allows the insurers to price for risk according to an actuarial analysis. It’s also fair to the insurance companies because it allows for denial based on war, serious health conditions in the country the person is traveling to, or fraud.

The freedom to travel is a right that we cherish, and no American should have to choose between their children’s financial security and having the right to travel freely. And that is what we are forcing Americans to do if we don’t pass this travel fairness language as a part of the reauthorization of TRIA. If we allow insurance companies to deny coverage based on the notion of where a person might travel, we are giving in to the terrorists who wish to change our way of life.

Life insurance companies have been using the State Department warning list as an underwriting tool. It was never meant to be utilized that way. I urge the Members to support the House-passed version of TRIA.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I yield my time to the gentleman from Massachusetts (Mr. FRANK) for your hard work on the legislation, and with all due respect to the gentleman from Alabama, I can appreciate what you are saying about the Senate, and our negotiations with them, but the Congress of the United States is not a unicameral institution.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. FRANK) for your hard work on the legislation, and with all due respect to the gentleman from Alabama, I can appreciate what you are saying about the Senate, and our negotiations with them, but the Congress of the United States is not a unicameral institution.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield my time to the gentleman from New York (Mr. CROWLEY).

The SPEAKER pro tempore (Mr. ISRAEL). The gentleman from New York is recognized for 1 minute.

Mr. CROWLEY. I thank my friend and colleague from Massachusetts.

I had a wonderful speech I was prepared to read to you today, but, quite frankly, I’m outraged by the discussion that has taken place here. There is the discussion of 19 days left to get this legislation passed as though a gun is put to our heads that either we pass the Senate bill or this does not get extended. That’s hogwash. That’s not the way in which we should make legislation. The notion that 100 Senators came to the floor and passed this bill is hogwash. They hot-lined this bill. It went to the floor without debate. The only debate that has taken place on this issue has taken place on the floor of the House of Representatives.

Chairman FRANK in cooperation with the ranking member on the minority have worked diligently to get a qualified bill to this floor, that New York wants, that our country wants and deserves. We should not allow a hole in the middle of Manhattan to lie as a monument to Osama bin Laden, because that’s what we’re doing by not signing a hole in the middle of Manhattan to lie as a monument to Osama bin Laden protection provision.

We should pass the House version of this bill and reject the Senate bill. Pass the House version. I would also note that not one Republican Member from New York State has been to the floor to defend your position on this issue.

During negotiations on providing appropriations for Fiscal Year 2008, the Republicans have opposed providing the emergency service workers who are sick from the pollution they were exposed to at Ground Zero with the care they need. And today, many are expected to oppose this legislation, which would enable New York City to rebuild at Ground Zero.

But I hope that does not happen. Because Americans believe that those who served on the frontlines at Ground Zero, and are sick due to their service, should be cared for.

Because Americans believe that New York City must be rebuilt—stronger, prouder and better protected.

Because Americans believe that in doing so we will send a message to al-Qaeda that we won’t back down.
And that's what today's legislation is about—letting every terrorist organization know that you cannot break us. And if you try, we will only grow stronger.

Let us take note, it was Chairman FRANK's work on the terrorism risk insurance act that has moved the Bush Administration from an absolute position of opposition to being supportive of extending this program for 7 years.

He successfully moved a bi-partisan bill earlier this year, in light of many Republicans ready to acquiesce to the President to kill this terrorism insurance program.

I wonder what positions of the White House and many Republicans in this chamber today to finally support a real terrorism insurance bill, it is a welcome change.

Now, let's talk some basic facts.

We all know the Government will step in if there is another large scale attack like 9-11 on our country again.

What TRIA does is actually put the private insurance markets on the hook to pay part of the damages, meaning TRIA is a cost savings to the taxpayer and ensure that the insurance industry does what it is suppose to do—insure.

TRIA saves taxpayers money.

Now onto a specific provision of today's bill that I want to highlight.

Part of today's bill includes a provision to honor those who were killed on 9-11, and protect the memories of others who, God forbid, may be killed in future attacks on our soil.

This new language, language that was included in the House-passed TRIA bill, creates a re-assurance to insurers and developers to rebuild on previously hit sites.

This is important because we all know al-Qaeda returns to the scene of their crime; they hit the Twin Towers in 1993, and they returned in 2001. And knowing their mentality, they will try to return again.

Those that ignore that, ignore history and fact.

The impacted site in Lower Manhattan cannot continue to be a hole in the ground, or a sick tribute or trophy to Osama bin Laden—wherever he may be.

Rather the Senate to rebuild there, letting the terrorists know they can knock us down, but we will always pick ourselves up stronger.

We need to pass this bill and get the Senate working on a strong compromise bill to ensure a real TRIA, one that won't let Osama bin Laden continue to use the pictures at Ground Zero as a recruiting tool against our soldiers in Afghanistan or for attacks against Americans in this country or anywhere in the world.

We have seen the White House veto threat against this bill as it is "expanding" the terrorism insurance program.

Rebuilding at previously hit sites is not expanding the terrorism insurance program—it is the reason for the terrorism insurance program.

If you are serious about supporting TRIA, vote for this bill and ensure Osama bin Laden and his evil partners view September 11, 2001 as the worst day in their lives, not the best.

Mr. TERRY. Mr. Speaker, I rise today in support of H.R. 4299, the Terrorism Risk Insurance Program Reauthorization Act of 2007. This legislation revises and extends the Terrorism Risk Insurance Act of 2002 (TRIA). TRIA has been a cornerstone of our Nation's comprehensive response to the events of September 11, 2001, providing a vital and necessary backstop for our insurance industry and its policyholders.

I am pleased that H.R. 4299 does not reduce TRIA's complete coverage for nuclear, chemical, biological, and radiological events. It should be noted that the workers' compensation portion of the TRIA program is a state law to provide coverage for these events to their policyholders; for them, especially, it is critical that TRIA provide a backstop for these events as well as for conventional acts of terrorism.

It is important that TRIA serve the industry and its policyholders. Over the course of TRIA's life, the "trigger level," or threshold of losses insurers must suffer from an act of terrorism before TRIA can kick in, has been raised from $5 million to $100 million. For small- and medium-sized insurers—the majority of the industry—a trigger level of $100 million is too high. As a result, I support the provision which has survived in the House version in H.R. 4299 which returns the trigger level to the 2006 level of $50 million.

While I support H.R. 4299, it is important to note is not is or whether it is or wasn’t so. But the clock has run out on this Congress and the opportunity to get anything done on TRIA has, as a practical matter, gone by. But if it is so important, and most Members of this body believe it is, it’s important to pass legislation today, and that’s the Senate legislation.

The motion to recommit removes additions in the bill offered by the majority and returns the TRIA language to the bill as amended by the Senate, by unanimous consent. The Senate bill reflects a bipartisan compromise with the administration. It extends the TRIA program for 7 years, the same amount of time that we advocated in a conference on TRIA in the House. We didn’t get a bipartisan bill in the House. It wasn’t a bad bill. It wasn’t a bad bill. But that bill when it passed and the bill today, the bill that was just offered, is not going to become law.

The Senate bill had a provision for domestic terrorism. Many in this body felt like it ought to include that. It imposes a liability cap for the marketplace. That’s good. I think it’s a responsible, measured approach to extending a vital program, as many have characterized it. Not all on this side agree. But the majority on this side will come together, the majority of the minority, and pass what you say is a vital program and we’ll do it today. The administration will veto the House bill. Both sides of the aisle and the Senate have indicated that the Senate is unwilling to consider it. We have a gripe against the Senate, but let’s take that up with the Senate. A large number of Members in this House may continue to oppose the Senate bill. You have an opportunity to vote on it in just a minute.

The only TRIA extension that can get enacted is the Senate compromise. Many say I wish it wasn’t so. It is. The only responsible course for this House to take is to accept the Senate bill and move on. My motion is the Senate compromise.
We have 19 days until TRIA expires. Let me say it again. That’s not a prac-
tical time left for the industry to com-
ply with legislation. In a reasoned soci-
ety, a deliberative body would never pass a bill and ask the American people to 
deadline in 5 days.
Mr. Speaker, we cannot risk TRIA’s 
expiration. We need to get the job done 
now. A vote for this motion to recom-
mit is a vote to promote economic vi-
tality in this country.
Mr. FRANK of Massachusetts. Mr. Speaker, I rise in opposition to the mo-
tion to recommit.
The SPEAKER pro tempore. The gen-
tleman is recognized for 5 minutes.
Mr. FRANK. Mr. Speaker, I want to begin with the schizophre-
nic attitude towards the Senate. The Senate gentleman said a number of 
times that the Senate passed this 
unanimously. Yes, by avoiding con-
ferences on this deal.
But he also continually said, cor-
rectly, that this bill was passed way 
too late. Why are we here now? The an-
swer as to why we’re here now, Mr. Speaker, has to do with how we 
were admiring of. Yes, the Senate passed it 
without a vote, on November 16. We 
passed the bill on September 19. The House 
passed the bill with 3/4’s months 
left to go in the year. The Senate 
passed the bill less than a month ago. The Senate passed the bill, by the way, 
a different bill than ours, after we had 
adjourned for the recess.
So the Senate, whom he extols for 
having managed to put everything under 
the rug or make one of their deals where nobody gets fingerprinted 
for anything, they sent us this bill, and 
the earliest we could have passed it 
was last week. So all this rhetoric 
about 6 months, et cetera, well, that’s, Mr. Speaker, king friends in the Senate 
who caused that problem. If they had 
worked with us, we would have had 
several months.
Now, we are going to pass a bill. We 
understand and we may well be 
able to pass only the Senate bill early 
next week. We have preserved our abil-
ity to do that. There is no chance of 
this expiring. The question is this: 
Should we acquiesce in a procedure by 
which the United States Senate waits 
until after we have adjourned for the 
Thanksgiving recess and sends us a bill 
and says, this is it, take it or leave it, 
or do we say, no, we don’t like that and 
we’re going to at least try to make you 
vote on the merits.
Now, I know the gentleman from Al-
abama likes the Senate version appar-
tently where you just have unanimity 
so-called. I prefer democracy. I prefer 
letting things get voted on. Maybe the 
Senate won’t like it or maybe they won’t 
give them one more option. It may 
take us another 3 or 4 days. So the no-
tion that we are somehow delaying this 
for 3 or 4 days, no. We waited from 
our bill in September to theirs in Novem-
ber. They wait for us for 3 or 4 days. 
Three days or 4 days isn’t going to 
make any difference and we’ll get the 
bill through.

Here’s what we want to do. We want 
to say that the point that the gentle-
woman from Florida made that you 
should not arbitrarily cancel people’s 
life insurance because they’re traveling 
to a country that’s on the State De-
partment watch list, whether it’s the 
UK, Israel or others that America-
cans want to travel to. Yes, if you can 
show that there’s danger there, you can 
cut off their insurance. But don’t say 
that we’re just going to give up on that. Maybe we can’t do it this year. 
Let’s try to recommit to this bill, 
then, because we’re going to pass this bill soon, anyway, and we may have to 
pass the Senate version. Let’s have a 
referendum on the freedom to travel 
provision. Let’s have a referendum on 
whether smaller insurance companies 
should be able to partici-
pate. Under our bill they can. Under 
the Senate bill they can’t. And let’s 
have the Senate pass a bill with the 
gentleman from Queens, New York, 
talked about so eloquently, which says 
we’re going to rebuild and any place 
that’s hit, we will rebuild them again.
Let me say, we have a referendum on 
these issues. We’re not going to win 
this year, but I want to be able, as 
chairman of the committee, to go back 
early next year and say to our friends 
in the Senate, okay, your rope-a-dope 
tactics may have worked, but they didn’t work on the merits.

And we want to go back at you on 
whether insurance companies and on 
group life and on the question of free-
dom to travel, and we want to bring it 
up again.
And the last point, when we’re talk-
ning about why is this being done now, 
it’s supposed to be temporary? I have 
never thought it would be temporary. Here’s 
the point: If you go through the private 
market, it is paid for by the insured, 
ultimately. I do not think that those people who are choosing to do business 
in areas that may be singled out by the 
terrorists ought to have to pay the 
higher cost of insuring themselves for 
that. Against fire, against theft, 
against liability for someone falling 
down, sure, that’s their responsibility. 
But defending ourselves against ter-
rorism is not a market matter; it’s a 
matter of national security. And the 
whole country ought to come together 
in a unified way and say you may 
do New York or Chicago or At-
lanta or Miami, or any other part of 
America, or Los Angeles, as they 
threatened the airport. You may 
not threaten us and make us pay more. 
You cannot make it more expensive to 
do business in one part of this country 
other than another. We will come together as one 
Nation in this program and say, we’ll 
take the motion to mandate for 
insuring yourself against various dangers. But 
for insuring yourself against mur-
erous thugs seeking to do harm to 
this country, this country will come 
together as one in a national program 
and rebuff that, and we will not allow 
them to intrude.
Now, again, it may be that in the end 
the best we can get is the Senate bill. 
But at this point, I urge the Members 
to vote no in principle. In principle, a reset 
mechanism that says, okay, you only 
get hit once and then you’re gone, 
or the freedom to travel, or group life, 
or smaller companies.
I hope the motion to recommit is de-
fected that we let the Senate know 
that we will continue to engage in de-
ocracy in this part of the Capitol.

The SPEAKER pro tempore. All time 
has expired.

Without objection, the previous ques-
tion is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.
The question was taken; and the 
Speaker pro tempore announced that 
the noes appeared to have it.
Mr. BACHUS. Mr. 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 the motion to recommit will be followed by 5-minute votes on passage of H.R. 4299, if or-
dered, and adoption of the conference 
report to accompany H.R. 1385.
The vote was taken by electronic de-
vice, and there were—173, nays 246, 
not voting 12, as follows:

[Roll No. 1149]

YEAS—173


NAYs—246

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YEA—246

NAY—12

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Wilson (OH)

Wu
Wyman Yarmuth

Announcement by the Speaker pro Tempore

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

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

A recorded vote was ordered.

The Speaker pro tempore. The vote was taken by electronic de-

RECORDED VOTE

The result of the vote was announced 'yea' to 'nay.' Members are advised there were 2 minutes remaining on this vote.

The Speaker pro tempore. The question is on the passage of the bill. The vote was taken by electronic de-

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

A recorded vote was ordered.

The Speaker pro tempore. The vote was taken by electronic de-

NOES—116

Dréier
McKean

McMorris Rodgers

Mica

Miller (FL)

Muñoz

Mussgrove

Myrick

Pence

Petri

Porter

Price (GA)

Radanovich

Reagan

Reichert

Regula

Rangel

Ramstad

Rand

Rangel, S. C.

Rayburn

Reynolds (NY)

Reynolds (WA)

Reynolds (WA)

Rexroth

Rhode

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

Mr. MARCHANT changed his vote from “aye” to “no.”
Mr. GOODLATTE changed his vote from “no” to “aye.”

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1585, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

The Speaker pro tempore. The unfinished business is on agreeing to the conference report on the bill (H.R. 1585), on which the yeas and nays were ordered to be recorded.

The Clerk read the title of the bill.

The Speaker pro tempore. The question is on agreeing to the conference report.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 370, nays 49, not voting 12, as follows:

[Roll No. 1151]

YEAS—370

Abercrombie (Hawaii) 1
Ackerman (New York) 31
Aderholt (Alabama) 3
Aktin 1
Alexander (Alaska) 1
Allen 1
Altman (North Carolina) 1
Andrews (North Carolina) 1
Arcuri (New York) 1
Baca (California) 1
Bachmann (Minnesota) 1
Bachus (Kentucky) 1
Baird (Washington) 1
Barrett (South Carolina) 1
Barrow (Georgia) 1
Bartlett (Texas) 1
Barton (Texas) 1
Bean (Georgia) 1
Beccerra (California) 1
Belcher (North Carolina) 1
Belkin (New Jersey) 1
Bilirakis (Florida) 1
Bishop (Georgia, 2) 1
Bishop (New York) 1
Bishop (Utah) 1
Blackburn (Tennessee) 1
Blumenauer (Oregon) 1
Blunt (Missouri) 1
Boehner (Ohio) 1
Bonner (Alabama) 1
Bono (California) 1
Booher 1
Boucher (New Hampshire) 1
Bonosanto 1
Boyd (Ohio) 1
Boyd (South Carolina) 1
Brady (Florida) 1
Brady (Texas) 1
Bray (Ohio) 1

NAYS—49

Baldwin (Wisconsin) 1
Balcerzak 1
Barnier (New Hampshire) 1
Barrios (Texas) 1
Bartling (New York) 1
Bechtel (Oklahoma) 1
Begalla 1
Banks (Georgia, 3) 1
Bapst 1
Barnes (California) 1
Barnes (Ohio) 1
Barrett (Michigan) 1
Bass 1
Bass (Montana) 1
Belmar (New Jersey) 1
Belcher (Washington) 1
Belton (South Carolina) 1
Bezisek 1
Bilirakis (Florida) 1
Blackburn (Georgia) 1
Boehner (Ohio) 1
Bonner (Alabama) 1
Booher 1
Boucher (New Hampshire) 1
Bonosanto 1
Boyd (Ohio) 1
Boyd (South Carolina) 1
Brady (Florida) 1
Brady (Texas) 1
Brazile (Texas) 1

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Carson (Nebraska) 1
Cubin (Rhode Island) 1
Gohmert (Texas) 1
Hoccy 1
Hooley 1
ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Mr. MARCHANT changed his vote from “aye” to “no.”
Mr. GOODLATTE changed his vote from “no” to “aye.”

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

AMT RELIEF ACT OF 2007

Mr. RANGEL. Mr. Speaker, pursuant to House Resolution 861, I call up the bill (H.R. 4351) to amend the Internal Revenue Code of 1986 to provide individual temporary relief from the alternative minimum tax, and for other purposes.

So the conference report was agreed to.

So the bill was passed.

No.

1585), on which the yeas and nays were ordered to be recorded.

The Clerk read the title of the bill.

The text of the bill is as follows:

(a) Short Title.—This Act may be cited as the “AMT Relief Act of 2007.”

(b) Reference.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment or repeal of, or to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) Table of Contents.—The table of contents for this Act is as follows:

SECTION 1. SHORT TITLE, ETC.

SECTION 1.—INDIVIDUAL TAX RELIEF

(a) Extension of Alternative Minimum Tax Relief for Nonrefundable Personal Credits.

(b) Extension of Reduced Alternative Minimum Tax Exemption Amount.

(c) Increase of AMT refundable credit amount for individuals with long-term unused credits for prior year minimum tax liability.

Sec. 102. Extension of increased alternative minimum tax relief to individuals for 2006.

Sec. 103. Extension of AMT refundable credit amount for individuals with long-term unused credits for prior year minimum tax liability.

Sec. 104. Refundable child credit.
TITLE II—REVENUE PROVISIONS
Subtitle A—Nonqualified Deferred Compensation From Certain Tax Indifferent Parties
Sec. 201. Nonqualified deferred compensation from certain tax indifferent parties.

Sec. 212. Penalties for underpayments.

Subtitle C—Other Provisions
Sec. 221. Delay in application of worldwide allocation of interest.

Sec. 222. Modification of penalty for failure to file partnership returns.

Sec. 223. Penalty for failure to file S corporation returns.

Sec. 224. Increase in minimum penalty on failure to file a return of tax.

Sec. 225. Time for payment of corporate estimated taxes.

TITLE I—INDIVIDUAL TAX RELIEF

SEC. 101. EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF TO NON-REFUNDABLE PERSONAL CREDITS.

(a) In General.—Paragraph (2) of section 28(a) (relating to special rule for taxable years beginning in 2006) is amended—

(1) by striking “or 2006” and inserting “, or 2007”, and

(2) by striking “2006” in the heading thereof and inserting “2007”.

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 102. EXTENSION OF ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) In General.—Paragraph (1) of section 55(d) (relating to exemption amount) is amended—

(1) by striking “$62,550 in the case of taxable years beginning in 2006” in subparagraph (A) and inserting “$66,250 in the case of taxable years beginning in 2007”, and

(2) by striking “$42,500 in the case of taxable years beginning in 2006” in subparagraph (B) and inserting “$44,350 in the case of taxable years beginning in 2007”.

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 103. INCREASE OF AMT REFUNDABLE CREDIT AMOUNT FOR INDIVIDUALS WITH LOW INCOME AND NON-REFUNDABLE CREDITS FOR PRIOR YEAR MINIMUM TAX LIABILITY, ETC.

(a) In General.—Paragraph (2) of section 53(e) is amended to read as follows:

“(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1), the term ‘AMT refundable credit amount’ means, with respect to any taxable year, the amount (not in excess of the long-term unused minimum tax credit for such taxable year) equal to the greater of—

“(A) 50 percent of the long-term unused minimum tax credit for such taxable year, or

“(B) the amount (if any) of the AMT refundable credit amount determined under this paragraph for the taxpayer’s preceding taxable year.’’.

(b) Treatment of Certain Underpayments, Intestate, and Penalties Attributable to the Treatment of Incentive Stock Options.—Section 53 is amended by adding at the end the following new subsection:

“(f) Treatment of Certain Underpayments, Intestate, and Penalties Attributable to the Treatment of Incentive Stock Options.—Section 53 is amended by adding at the end the following new subsection:

“(1) ABATEMENT.—Any underpayment of tax outstanding on the date of the enactment of this subsection which is attributable to the application of section 56(b)(3) for any taxable year ending before January 1, 2007 (and any interest or penalty with respect to such underpayment outstanding on such date of enactment, is hereby abated. No credit shall be allowed under this section with respect to any amount abated under this paragraphs.

“(2) INCREASE IN CREDIT FOR CERTAIN INTEREST AND PENALTIES ALREADY PAID.—Any interest or penalty paid before the date of the enactment of this subsection which would (but for such payment) have been abated under paragraph (1) shall be treated for purposes of this section as an amount of adjusted minimum tax imposed for the taxable year of the underpayment to which such interest or penalty relates.’’.

(c) Effective Date.—As provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 104. NON-REFUNDABLE CREDIT CREDIBILITY.

(a) Modification of Threshold Amount.—Clause (1) of section 24(d)(1)(A) is amended by inserting “and taxable years beginning in 2008)” after “$10,000”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

TITLE II—REVENUE PROVISIONS
Subtitle A—Nonqualified Deferred Compensation From Certain Tax Indifferent Parties

SEC. 201. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

(a) In General.—This subsection—

(1) applies to section 409A of the Internal Revenue Code of 1986, as added by subsection (b), shall take effect on the date of the enactment of this subsection and shall apply to taxable years beginning after December 31, 2006.

(b) Amendment.—Section 409A of the Internal Revenue Code of 1986, as added by subsection (b), shall be applied as if made by omission of the last sentence of section 409A(a)(1) and paragraph (1) of section 409A(b).

(c) Effective Date.—Such amendment shall apply to taxable years beginning after December 31, 2006.

SEC. 202. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

(a) In General.—Any compensation which is deferred under a nonqualified deferred compensation plan of a nonqualified entity is subject to a substantial risk of forfeiture when the amount of any gain realized on the disposition of any investment recognized on an investment asset—

“(1) in General.—To the extent provided in regulations prescribed by the Secretary, if determined solely by reference to the amount of gain recognized on the disposition of an investment asset, such compensation shall be treated as subject to a substantial risk of forfeiture until the date of such disposition.

“(ii) Investment Asset.—For purposes of clause (i), the term ‘investment asset’ means any single asset (other than an investment fund or similar entity).”

“(1) acquired directly by an investment fund or similar entity, or

“(B) with respect to which such entity does not (nor does any person related to such entity) participate in the active management of such asset (or if such asset is an interest in an entity, in the active management of the activities of such entity), and

“(III) substantially all of any gain on the disposition of which (other than such deferred compensation) is allocated to investors in such entity.

“(III) Coordination with Special Rule for Short-Term Deferrals of Compensation.—Paragraph (3)(B) shall not apply to any compensation to which clause (i) applies.

“(2) Comprehensive Foreign Income Tax.—The term ‘comprehensive foreign income tax’ means, with respect to any foreign person, the income tax of a foreign country—

“(A) such person is eligible for the benefits of a comprehensive income tax treaty between such foreign country and the United States, or

“(B) such person demonstrates to the satisfaction of the Secretary that such foreign country has a comprehensive income tax.

Such term shall not include any tax unless such tax includes rules for the deductibility of deferred compensation which are similar to the rules of this title.

“(3) Nonqualified Deferred Compensation Plan.—

“(A) In General.—The term ‘nonqualified deferred compensation plan’ has the meaning given such term under section 6621 plus 1 percent thereof, except that such term shall include any plan that provides a right to compensation based on the appreciation in value of a specified number of equity units of the service recipient.

“(B) Exception for Short-Term Deferrals.—Compensation shall not be treated as deferred compensation if the service provider receives payment of such compensation not later than 12 months after

“(C) Effective Date.—For purposes of this subsection, the term ‘short-term deferral’ means a deferral of compensation under a nonqualified deferred compensation plan which is—

“(1) made by paragraph (1)(B)(i), the interest determined under this paragraph for any taxable year is the amount of interest at the underpayment rate stated in section 6621 plus 1 percent thereof on the underpayments that would have occurred had the deferred compensation been includable in gross income for the taxable year in which the first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

“(D) Other Definitions and Special Rules.—For purposes of this section—

“(I) Substantial Risk of Forfeiture.—

“(A) In General.—The rights of a person to compensation shall be treated as subject to a substantial risk of forfeiture only if such person’s rights to such compensation are conditioned upon the future performance of substantial services by any individual.

“(B) Exception for Compensation Based on Gain Recognized on an Investment Asset.—

“(i) in General.—To the extent provided in regulations prescribed by the Secretary, if determined solely by reference to the amount of gain recognized on the disposition of an investment asset, such compensation shall be treated as subject to a substantial risk of forfeiture until the date of such disposition.

“(ii) Investment Asset.—For purposes of clause (i), the term ‘investment asset’ means any single asset (other than an investment fund or similar entity).”

“(I) acquired directly by an investment fund or similar entity, or

“(B) with respect to which such entity does not (nor does any person related to such entity) participate in the active management of such asset (or if such asset is an interest in an entity, in the active management of the activities of such entity), and

“(III) substantially all of any gain on the disposition of which (other than such deferred compensation) is allocated to investors in such entity.

“(III) Coordination with Special Rule for Short-Term Deferrals of Compensation.—Paragraph (3)(B) shall not apply to any compensation to which clause (i) applies.

“(2) Comprehensive Foreign Income Tax.—The term ‘comprehensive foreign income tax’ means, with respect to any foreign person, the income tax of a foreign country—

“(A) such person is eligible for the benefits of a comprehensive income tax treaty between such foreign country and the United States, or

“(B) such person demonstrates to the satisfaction of the Secretary that such foreign country has a comprehensive income tax.

Such term shall not include any tax unless such tax includes rules for the deductibility of deferred compensation which are similar to the rules of this title.

“(3) Nonqualified Deferred Compensation Plan.—

“(A) In General.—The term ‘nonqualified deferred compensation plan’ has the meaning given such term under section 6621 plus 1 percent thereof, except that such term shall include any plan that provides a right to compensation based on the appreciation in value of a specified number of equity units of the service recipient.

“(B) Exception for Short-Term Deferrals.—Compensation shall not be treated as deferred compensation if the service provider receives payment of such compensation not later than 12 months after
the end of the taxable year of the service recipient during which the right to the payment of such compensation is no longer subject to a substantial risk of forfeiture. 

(4) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection, (A) any portion of an underpayment to which this section applies is attributable to one or more tax shelters, and (B) treatment of persons and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (A). 

(5) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

(A) ECONOMIC SUBSTANCE DOCTRINE.—The term "economic substance doctrine" means the common law doctrine under which tax benefits under subtitile A with respect to a transaction are not allowable if the transaction has no economic substance or lacks a business purpose. 

(B) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, paragraph (1) shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income. 

(C) EXCEPTION FOR LARGE CORPORATIONS.—Subsection (c) of section 6664 is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, 

(2) by striking paragraph (2) in paragraph (4), as so redesignated, and inserting "paragraph (3)", and 

(3) by inserting after paragraph (1) the following new paragraph: 

"(2) REASONABLE CAUSE EXCEPTION NOT APPLICABLE TO NONMUNICIPAL BOND TAX SHELTERS, AND CERTAIN LARGE CORPORATIONS.—Subsection (c) of section 6664 is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, 

(2) by striking paragraph (2) in paragraph (4), as so redesignated, and inserting "paragraph (3)", and 

(3) by inserting after paragraph (1) the following new paragraph: 

"(2) EXCEPTION FOR NONMUNICIPAL BOND SUBTITLES OF TAX SHELTERS, AND CERTAIN LARGE CORPORATIONS.—(Paragraph (1) shall not apply—

(A) to any portion of an underpayment which is attributable to one or more tax shelters as defined in section 6662(d)(2)(C) or transactions described in section 6662(b)(6), and:
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"(B) to any taxpayer if such taxpayer is a specified large corporation (as defined in section 6662(d)(2)(D)(i)(II))."

(c) APPLICATION OF PENALTY FOR ERRONEOUS CLAIM FOR CREDIT TO NON-ECONOMIC SUBSTANCE TRANSACTIONS.—Section 6676 is amended by redesignating subsection (c) as subsection (d) and inserting after such subsection the following new subsection:

"(c) NON-ECONOMIC SUBSTANCE TRANSACTIONS TREATED AS LACKING REASONABLE BASIS.—Except for this section, any excessive amount which is attributable to any transaction described in section 6662(b)(6) shall not be treated as having a reasonable basis.

(d) SPECIAL UNDERSTATEMENT REDUCTION RULE FOR CERTAIN LARGE CORPORATIONS.—

(1) IN GENERAL.—(a) The term "special large corporation" means any corporation with gross receipts in excess of $100,000,000 for the taxable year involved.

(b) The provisions of this section, any excessive amount which is attributable to any item with respect to which the taxpayer has a reasonable belief that the tax treatment of such item by the taxpayer is more likely than not the proper tax treatment of such item.

(c) AMOUNT PER MONTH.—(i) Each month (or fraction thereof) during which such failure continues (but not exceeding 12 months), the amount of the tax underpayment attributable to any item with respect to which the taxpayer has a reasonable belief that such failure is due to reasonable cause.

(ii) The amount per month shall be reduced by—

(1) the number of persons who were shareholders in the S corporation during any part of the taxable year;

(2) the number of months the return is required to be filed after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

Subtitle C—Other Provisions

SEC. 221. DELAY IN APPLICATION OF WORLD-WIDE ALLOCATION OF INTEREST.

(a) IN GENERAL.—(1) Paragraph (5)(D) and (6) of section 6662(e) are amended by striking "50%" and inserting "60%".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 222. MODIFICATION OF PENALTY FOR FAILING TO FILE A PARTNERSHIP RETURN.

(a) EXTENSION OF TIME LIMITATION.—Subsection (a) of section 6698 relating to general rule (e) is amended by striking "2 months" and inserting "12 months".

(b) INCREASE IN PENALTY AMOUNT.—Paragraph (1) of section 6662(b) is amended by striking "$100" and inserting "$150".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns required to be filed after the date of the enactment of this Act.

SEC. 223. PENALTY FOR FAILURE TO FILE A CORPORATION RETURN.

(a) IN GENERAL.—Part I of subsection B of chapter 42 (relating to assessable penalties) is amended by adding at the end the following new section:

"SEC. 6699A. FAILURE TO FILE A CORPORATION RETURN.

"(a) GENERAL RULE.—In addition to the penalty imposed by section 7203 relating to willful failure to file return, supply information, or pay tax, if any S corporation required to file a return under section 6667 for any taxable year:

(i) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing); or

(ii) files a return which fails to show the information required in section 6667, such S corporation shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not exceeding 12 months), which shows that such failure is due to reasonable cause.

(b) AMOUNT PER MONTH.—For purposes of subparagraph (a), the amount determined under subsection (a) for any month is the product of—

1. $100, multiplied by

2. the number of persons who were shareholders in the S corporation during any part of the taxable year.

(c) ASSESSMENT OF PENALTY.—The penalty imposed by subsection (a) shall be assessed against the S corporation.

(d) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to returns due after the date of the filing of which (including extensions) is after December 31, 2007.

SEC. 224. INCREASE IN MINIMUM PENALTY ON FAILURE TO FILE A RETURN OF TAX.

(a) IN GENERAL.—Subsection (a) of section 6651 is amended by striking "$100" and inserting "$150".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns due after the date of the filing of which (including extensions) is after December 31, 2007.

SEC. 225. TIME FOR PAYMENT OF CORPORATE ES-.TIMATED TAXES.

The percentage under subparagraph (B) of section 401(1) of the Tax Relief, Unemployment Insurance, and Health Care Act of 2009 is increased by 50 percentage points.

The pen-ple of the House of Representatives that the House of the Representatives, or pay tax, if any S corporation required to file a return under section 6667 for any taxable year:

(i) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing); or

(ii) files a return which fails to show the information required in section 6667, such S corporation shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not exceeding 12 months), which shows that such failure is due to reasonable cause.

(b) AMOUNT PER MONTH.—For purposes of subparagraph (a), the amount determined under subsection (a) for any month is the product of—

1. $100, multiplied by

2. the number of persons who were shareholders in the S corporation during any part of the taxable year.

(c) ASSESSMENT OF PENALTY.—The penalty imposed by subsection (a) shall be assessed against the S corporation.

(d) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to returns due after the date of the filing of which (including extensions) is after December 31, 2007.

The percentage under subparagraph (B) of section 401(1) of the Tax Relief, Unemployment Insurance, and Reconciliation Act of 2005 is increased by 50 percentage points.

The SPEAKER pro tempore. Pursuant to House Resolution 681, the gent-"men from New York (Mr. RANGEL) and the gentleman from Louisiana (Mr. McCrery) each will control 30 minutes.

The Chair recognizes the gentleman from New York.

Mr. RANGEL. Mr. Speaker, after my 5 months of rambling, I want to assign it to speakers on behalf of the Republicans to explain once again, as eloquent as my dear friend Mr. McCrery is, as to why this is not borrowing.

Mr. DREIER yesterday in the Rules Committee says it’s not borrowing because we never intended for this to happen. Well, if it works for you guys, I’m going to try it when I get home with my creditors and say, hey, it wasn’t meant for me to be broke and so it’s not borrowing; just ignore it. It doesn’t work that way on pencil and paper. Either you have got to cut programs by $50 billion, raise the revenue by $50 billion, or mumble for $50 billion. Enough of the mumbling. Can’t we unite on this and at least the Speaker in his floor statement recognize the House of Representatives is the House of the People, that we believe in what we’re doing? And let’s remember this; that we know the President, when he is cutting things that he wants to be closed on to raise revenue, it’s not a tax increase. He and Secretary Paulson call it, what, a loophole closing. That’s all we’re trying to do in paying for this enormous debt.

And so, remember, the President won’t be with you in November, but I will be, trying to help all of us to un-derstand that we did the best we could for the Congress and for the country. So we are giving the other side another opportunity. Hopefully this time they will not be irresponsible but they will join with us in doing two things: Reform the system for a provision that only benefits a handful of people at the expense of the United States Treasury; and, two, prevent this burden from fall-ing on 25 million innocent, hard-working American people.
At this time I would like to yield the balance of my time to Chairman Richard Neal.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts will control the balance of the time.

There was no objection.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I might consume. I rise in support of the AMT Relief Act of 2007. We are here again in an effort to protect 23 million American taxpayers from higher taxes on April 15. Almost 19 million of those taxpayers have never paid AMT before, and some indeed have not even heard of AMT. With this bill, we can ensure that it stays that way.

My district alone will see an increase from 7,300 families hit by AMT to 67,000 people; we intend to proceed with painless across the country, including Maggie Rauh from my district who is a CPA and who testified that her family income is at $75,000. She takes the standard deduction. They have three children, she is going to pay AMT. That family trip to Disneyland next year is on hold.

Joel Campbell of Loudoun County, Virginia told the committee that his family had to choose between saving more for retirement or paying for college. Higher taxes because of AMT are forcing middle- and upper middle-income families to make these difficult choices.

So we all agree that AMT should not be affecting these working families, but we cannot agree on how to do it. And that is the point: Everybody agrees that it has got to be fixed. The Republicans propose to borrow $50 billion; they are going to get that loan from the American taxpayers. What they are going to do with this $50 billion loan is not completely clear.

The Republicans believe that we should offset this tax increase for middle-income people. Indeed, the President’s budgets for the last few years have all counted on this revenue, and he projects next year precisely the same thing.

We made a pledge earlier this year to the American taxpayer that we would do no harm to the Federal budget. So if we lower tax revenues, we have to make up for that loss and not add to the deficit. That PAYGO pledge is difficult and painful, but most sensible.

The bill that we bring before the House today is a smaller package than before. The expiring provisions and the carried interest revenue raisers are gone. In the face of opposition to our offsets, we cannot retain this package because of the expiring tax provisions. It is my hope that we can turn to these provisions again in the near future and perhaps, for example, make them retroactive, indeed.

This bill provides that offshore hedge fund managers not enjoy unlimited deferral from any taxation on their compensation. We have all seen the news reports of these hedge fund people deferring hundreds of millions of dollars in compensation offshore because of a tax loophole. This bill closes that loophole, and it gives tax relief to 23 million families.

The bill also provides that a corporate tax shelter abuser be subject to new rules requiring economic substance in transactions. Let me interpret. It has to be for real. By cracking down on abuses we are taxpayers, we are taxpayers, we are taxpayers able to provide tax relief to the families of 13 million children in minimum wage households who get little or no refundable child tax credits.

The bill is simple. The bill is straightforward. Despite some opposition, we are going to persevere in our path to responsible tax cuts. Ecclesiastes teaches us that the race is not always to the swift nor the battle to the strong. That does not affect our conviction that we intend to persevere on the right path. We stand by our pledge to the American taxpayer and hope to convince others to join our battle today.

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

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

Mr. Speaker, I rise in strong opposition to the bill before us today, just as I did last week on the floor. It is not exactly the same, but basically it is a bill that would patch, so to speak, the AMT, and then increase other taxes to the same amount as the baseline says the patch costs.

Let me make one thing clear. Republicans are for patching the AMT, a 1-year patch on the AMT. We are for, in other words, freezing the AMT in place just as it is today or just as it was for the last tax year. Where we differ with the majority, at least so far, is over the question of whether we intend to pay for the patch by raising other taxes. We have had this debate before on this floor. We know where this debate is headed.

The President’s budget, by the way, includes a 1-year patch on the AMT without a pay-for. So that should be made clear to everyone, and that is what we have been proposing for quite some time. That is what the Senate passed by a rather large vote very recently. In fact, 88-1 I believe was the vote that the Senate passed a 1-year patch without tax increases. I applaud that action of the Senate. It does what the chairman of the Ways and Means Committee and I as the ranking member of the Ways and Means Committee, and the chairman and ranking member of the Senate Finance Committee wrote in a letter to the President several weeks ago saying that we promised to pass a 1-year patch on the AMT in a manner that the President would sign. This mandate bill represents that promise. This President has said he will sign that bill. The President has said he won’t sign the bill that is before us today. In fact, the distinguished majority leader of the Senate is so intent on not paying for the AMT that he is refusing to send the bill to the House right now so as not to give the majority here another opportunity to load it up with doomed tax increases. Yet our friends on the majority side are once again pulling on their helmets and fastening their chin straps, ready to run into the brick wall of using tax hikes to prevent other tax increases. The whole thing would be comical if the implications weren’t so serious.

In recent weeks, the Treasury Secretary, the Acting Commissioner of the IRS, and the chairman of the IRS oversight board have all written to Congress to urge prompt action on the AMT and warned that continued delay on the patch will result in delayed refunds, confusion, and higher costs to the Treasury. In a recent letter, Secretary Paulson cautioned that “enactment of a patch in mid to late December may also have their refunds delayed.”

Well, here we are now in mid-December and unfortunately, the majority in the House continues to play a dangerous game of chicken with the American taxpayer and the clock is winding down.

When the House debated H.R. 3996 last month, Republicans argued against applying PAYGO to the AMT patch. We pointed out that if Congress has to increase taxes to prevent a tax increase, then the majority’s baseline has baked in trillions of dollars of tax increases over the next decade as the 2001 and 2003 tax cuts reach their current expiration dates at the end of 2010.

The majority’s logic seems to go like this: To prevent a tax increase, we can accept a tax increase. Either way it’s a tax increase, unless you do as we’re suggesting, which is to prevent the tax increase by just patching and freezing the AMT in place as we did last year and the year before.

The House Democrats’ version of PAYGO forces Congress to decide whether we will let those tax increases take place or replace them with other tax hikes. But no matter how Congress chooses to raise taxes, if we follow that, we will face the largest tax increases in American history in both in nominal and real terms. Moreover, in many ways PAYGO has shown itself to be a farce.

In January, when the new majority instituted PAYGO, the Congressional Budget Office estimated that revenues in fiscal year 2007 would total $2.542 trillion. Actual revenues for 2007 turned out to be $26 billion higher than that. Does the majority plan to return these excess receipts to the taxpayer? No. It’s just soaked up by more spending.

Similarly, in January of 2007, the CBO estimated that revenues in fiscal
MCCRERY announced retirement. He will be in Congress, and I am sorry to hear of his decision. Mr. RANGEL and Mr. Neal have to decide upon this evening very clearly. Mr. NEAL has posed the question that this House has to send a clear message to the American people. I think the comments from the minority are the height of fiscal irresponsibility. Both. I think the comments from the minority are the height of fiscal irresponsibility. Both.

The President and the Senate have made clear that they do not intend to raise taxes to prevent a tax increase. The bill we are considering today only further delays final resolution of this issue, increasing cost to the treasury and increasing confusion for taxpayers and the IRS. I urge defeat of this bill.

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

Mr. NEAL of Massachusetts. Mr. Speaker, let me clarify what the gentleman just said. He came the same day to address to us to prevent a tax increase. The alternative minimum tax and paying the tab. The wealthiest people, the middle class giving them tax relief, having it paid for so that those little children do not have to inherit the debt.

In reality, PAYGO fails to re-in out-of-control spending and results in permanent tax increases making tax relief next to impossible.

The other body agrees, going so far as to call this nonoffset AMT patch the "Tax Increase Prevention Act." Insisting on PAYGO brings us down the path of massive tax increases over the next decade. We need to stop this PAYGO charade and pass AMT relief without burdensome new taxes on the American people.

Mr. NEAL of Massachusetts. Mr. Speaker, there are only two ways to re-in out-of-control spending and results in permanent tax increases making tax relief next to impossible.

The alternative minimum tax is a foreign government, possibly from China, $50 billion. Fifty billion dollars. Put that on your tab, little baby, because you are going to be paying that price for a long time.

So it is either the American taxpayer, future generations, suffering if we go the Republican route, or it will be fairness, fairness, a new principle in tax policy in our country. The choice is clear. We choose tax relief for 23 million families with 10,000 or fewer people paying the tab. The wealthiest people, probably from a foreign government, possibly from China, $50 billion. Fifty billion dollars. Put that on your tab, little baby, and all little babies born across America and all their children, you are going to pay the tab because this money will be borrowed, probably from a foreign government, possibly from China, $50 billion. Fifty billion dollars. Put that on your tab, little baby, because you are going to be paying that price for a long time.

So I think what the Ways and Means Committee has done is masterful. It is the wrong policy for tax-paying families. PAYGO budgeting has put Congress in a straitjacket even on this temporary fix to the alternative minimum tax which was never intended to ensnare 23 million middle-income workers.

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And with that, I yield to the gentleman from Michigan (Mr. LEVIN), the chairman of the Trade Subcommittee of Ways and Means.

MCCRERY, Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from California (Mr. HERGER), the ranking member of the Trade Subcommittee of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, this bill is the wrong policy for tax-paying families. PAYGO budgeting has put Congress in a straitjacket on this temporary fix to the alternative minimum tax which was never intended to ensnare 23 million middle-income workers.
and pay for it by closing a loophole that gives people in our country who try to escape taxation by going overseas, don’t act. That’s irrational as well as irresponsible.

So what we are saying to the Senate is we do not want to repeat the mistakes of another Congress. It has been blocked in the Senate by the Republican minority and by the President of the United States. We have to act on the AMT. You have to act at long last responsibly, and so do Senate Republicans and so does the President of the United States of America.

Vote for this bill.

Mr. McCrery. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. Camp), the ranking member of the Health Subcommittee of the Ways and Means Committee.

Mr. Camp of Michigan. Mr. Speaker, the bill we are debating today appears to be an exercise in futility. Not only has this bill failed to pass last week, I wouldn’t call it Senate blockage. It passed 88-5. The Senate prevents 23 million Americans from being hit by the onerous alternative minimum tax and does it without permanently increasing taxes. The bill before us includes $50 billion in tax increases. That is $50 billion in taxes the American public was never intended to pay and should never pay.

Last May when the Republicans were in the majority, we passed legislation to prevent the AMT from hitting middle-income taxpayers. We finished our work early and responsibly so the IRS had time to reprogram its computers and print accurate tax forms which prevented unnecessary confusion for taxpayers.

But here we are in December and the Democrats still have not finished their work on the temporary AMT patch. Unfortunately, because of their inaction, millions of taxpayer refunds will be delayed for months. Unfortunately, because of their actions here today, those refunds will be further delayed.

The IRS has warned the majority party that failure to act will result in $75 billion in refunds being delayed for taxpayers whose refunds were born March 31 of next year. Millions more will be delayed to taxpayers filing after that date. Rather than take up the Senate bill which the President has signaled his intent to sign, the majority party in the House is wasting time by bringing up a bill that includes unacceptable tax increases. People are already paying high enough taxes. They are already paying enough in taxes. I urge my colleagues to vote against H.R. 4351.

Mr. Neal of Massachusetts. Mr. Speaker, we cannot predicate our actions in the House of Representatives on the basis of what the President might or might not do. Article I of the Constitution mentions Congress as the first branch of government for good reason, to keep a check on the executive, not vice versa.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. Becerra).

Mr. Becerra. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, today Americans believe that our Nation’s leaders have forgotten the middle class. They believe that the tax code, whatever it wants, it wants it in Washington, DC, and they feel that way because what they see is that the top Americans have the middle class. We have seen the costs double for those pensions and that health insurance over the last 5 years, and we have seen gasoline prices triple.

What we need is an economy that works for everyone and makes America stronger. What do we get in this bill? To show the American people that we do hear them.

This bill is responsive. It provides tax relief to 23 million middle-class families, and it helps 12 million children by expanding the child tax credit. And this bill is responsible because, rather than just borrow the money to provide the tax relief, we pay for it up front. And the Speaker already said it. We’re giving it to tens of millions of people, the tax relief, and only asking thousands toACEMENT.

This is responsible because we will not add to the already big $9 trillion debt. We won’t add to the fact that today alone, $2 billion will have been spent by this country in deficit spending. Each and every American in this country, including the child that is born today, begins a birth tax now of a $29,000 bill because of the size of the debt.

We want to do this responsibly. This is a different day in this Congress. We told America we would change direction, because we want to be responsible and help all Americans, but be responsible and pay for what we do.

Mr. McCrery. Mr. Speaker, at this time I yield 3 minutes to the distinguished gentleman from Wisconsin, a member of the Ways and Means Committee, Mr. Ryan.

Mr. Ryan of Wisconsin. Let me put this in context. Mr. Speaker, the distinguished Speaker of the House came to the floor and said, we’re going to provide tax relief for people. No, we’re not. This isn’t tax relief. What this bill attempts to do is prevent a tax increase, so nobody is seeing their taxes lowered under this bill. That’s point number one.

But point number two is this is a new precedent that is being established here. What is this new precedent? This tax, the alternative minimum tax, is a mistake. It was designed to be. Everybody acknowledges that. It was designed to get 155 really rich people in 1969, to make them pay taxes. It was never designed to tax 23 million people in the middle class this year. So we have to ask, whatever this bill wants, does this want to be an exercise in futility. Not only does the bill we are debating today appear to be an exercise in futility, but is the Senate. So why has a bill been brought to the floor that virtually is impossible and pay for what we do.

In 1969, to make them pay taxes. It was never designed to tax 23 million people in the middle class this year. So we have to ask, whatever this bill wants, does this want to be an exercise in futility. Not only does the bill we are debating today appear to be an exercise in futility, not only does the new precedent that is occurring today which is an endorsement of this tax increase, an endorsement in acceptance, a wanting of this new and higher tax revenue.

What does that do? That brings us to a whole new size of government. What we have had in the last 40 years is the Federal Government has taxed the U.S. economy at 18.3 percent. That’s the 40-year average. That’s how much Washington takes out of the U.S. economy.

With this tax in place, with this new alternative minimum tax, that makes us up to an unprecedented level of government spending and taxing to 24 percent. What the majority is doing is putting us on this path of ever higher levels of taxation, even higher than during World War II. Why are they doing this? To spend more money.

There is a difference in philosophy here, Mr. Speaker. There’s a basic philosophical difference. My good friend, who’s a good man from Massachusetts but, well, they get to do this. We say, let’s address entitlements. Let’s focus on spending and keep taxes low.

They say, we don’t want this tax but we want this money so we’re going to raise some other permanent tax to get it into the government.

Here’s the difference. Our priority is the taxpayer comes first, government second. Their priority is government comes first, the taxpayer is second. Their government’s in the front of the line. The taxpayer gets stuck with the tab.

We’re saying the American families are taxed enough. They’re paying enough in taxes. Because, you know what, we’ve got to watch it. We’ve got to make sure that we’re competitive in the 21st century. We’ve got to make sure that we can keep jobs in America. And if we put ourselves on this path of unprecedented levels of taxation, we will lose our greatness in the 21st century. We will sever that legacy of giving the next generation a higher standard of living, and we will be unable to compete with the likes of China and India.
if we buy into this notion of ever-higher taxes. That's why we should oppose this bill.

Mr. NEAL of Massachusetts. Mr. Speaker, what my friend, Mr. RYAN, just said, he's really a good guy here. He said that our priority was a bit confused. Our priority is clear. Cut taxes for 23 million Americans and close an offshore account.

With that, I would like to yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. After having run the national debt up sky high, these Republicans clamor for another loan. "Just give us another $50 billion for one more tax cut." And we Democrats are saying "No, your debt addiction must stop today. You're way over your credit limit."

The Republican borrow-and-spend approach that we've had for the last 7 years who plays by the easy can pay, but it's mighty hard on an economy where the dollar keeps falling so that it's worth even less today than a Canadian looney.

In this bill, one way that we stop this Republican credit card borrowing spree is by adopting much of the Abusive Tax Shelter Shutdown Act, which I first introduced in June 1999. It combats tax shelters by denying a deduction for transactions that lack what is called "economic substance." What that means is no more tax evasion by corporations that rely on what one professor described as "deals done by very smart people that, absent tax considerations, would be very stupid." And it is very stupid to allow them to continue doing that.

When the corporate tax dodgers are made to pay their fair share, as this bill does today, everybody else who plays by the easy can pay less. And that's what this bill does. We stop corporate tax evasion; we stop corporate tax dodgers from shifting the tax burden to middle-class families, ensuring today both tax fairness and fiscal responsibility.

Mr. MCCRERY. Mr. Speaker, I need to quickly correct the record. In 1969 when the alternative minimum tax was put in place, it was not a Democratic scheme. The vote was 399-2 in this House of Representatives.

With that, I would like to yield 1 minute to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. NEAL, I want to thank you and Chairman Rangel for your leadership on this extremely important bill.

There are several points I would like to make. First of all, my good friends, my Republicans on the other side of the aisle, it must be clear. There's no question about it. What the Republicans want to do is borrow the money to pay for this tax from China, from Japan, and have our children and grandchildren pay for it. But they don't want to just stop there. They also want to protect those wealthy 1 percent, those rich tax shelters by denying them the ability to hide their money away from taxation in offshore accounts. That is what our Republican colleagues want to do.

For years they've said we need to pay for all our spending, pay for all our taxes. So what have they done? I have a list of 27 different pay-fors that have been used multiple times already in this session. It's like using your home as collateral 27 different times. In the real world we call that fraud.

It's unfortunate we are here today. I honestly don't believe when Democrats created this tax in the 1960s that they intended to cover this many middle-class Americans. But it has happened. Republicans, to their credit, had killed the AMT in 1999, but President Clinton unfortunately vetoed it. Today it has gotten bigger and badder and worse than ever. It is appropriate that we move to both freeze and then to repeal the alternative minimum tax. But there are real serious problems with this bill.

Paying for a temporary tax of 1 year with a permanent tax is just, again, fiscal irresponsibility. It's like taking a loan out to pay for a cheeseburger.

This bill ignores the need to continue tax relief for States that have State and local sales tax deductions, for college tuition tax credits, for research and development tax credits, and for teachers who take classroom supplies and pay for them out of their pockets, we're not addressing their needs. And those all expire at the end of this year.

Finally, I think it is a mistake to raise taxes in order to prevent a tax increase. What we ought to be doing is we ought to be sitting down together, Republicans and Democrats, figuring out a way to thoughtfully and carefully trim this budget, this big, fat, bloated, obese budget up here so we don't increase taxes. Before Washington asks families to tighten their belt, we ought to sit down and tighten our belt first.

This is a bad bill, a fiscally irresponsible bill, and I urge all Members, Mr. BRADY of Texas, a member of the Ways and Means Committee.

Mr. BRADY of Texas. Mr. Speaker, at this time I would yield 3 minutes to the distinguished gentleman from Texas (Mr. BRAZJACK), a member of the Ways and Means Committee.

Mr. BRADY. Texas, Mr. Speaker, it's sort of hard to listen to lectures about fiscal responsibility. For years Democrats have claimed that it is time to pay the price for our fiscally irresponsible not to pay for this war; it ought to be part of the budget. Have they paid for the war? No, not a dime.

For years they said it's irresponsible to raise the debt limit; it's all your fault; we won't raise the debt limit. What did they do the first 2 months of this session? Raise the public debt limit.

We, on the Democratic side, want to look at this in the responsible way, as the American people expect. We have to provide tax relief for 23 million American families. How to do that is most assuredly to pay for it. And we're doing it by closing these offshore loopholes.

Mr. MCCRERY. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Virginia, a respected member of the Ways and Means Committee (Mr. CANTOR).

Mr. CANTOR asked and was given permission to revise and extend his remarks.

Mr. CANTOR. Mr. Speaker, just as she did this evening, on November 9 of this year, Speaker PELOSI stood on the floor of this House and told the American people that the middle class was long overdue for tax relief. She said that an AMT bill had to be about tax fairness, fiscal responsibility and keeping America competitive.

Once again, Mr. Speaker, the current attempt at patching the AMT rings hollow. As the ranking member indicated, I know where this debate is going; and, frankly, we know where this bill is going: nowhere. This attempt to tax and spend just as others that have failed, illustrates to me the disconnect between this majority in this House and the American people. In fact, it echoes what's been going on in this House over the last several weeks, if not months. Here we are a week and a half before Christmas and we've not finished the work that the American people sent us here to do.

But, in fact, it is the disconnect between the majority leadership and middle-class American families that troubles me most. If you look at what's going on out there, families are worried about the flagging economy which has fueled alarming levels of anxiety. In spite of a weak dollar, skyrocketing gas prices, falling home values, and other mounting concerns, the Democrat majority in this House refuses to accept the reality of a $2,000 plus tax hike facing millions of middle-class families.

Let's get to work. Let's realize that this bill isn't going anywhere.

The House majority refuses to cut taxes or sustain expiring growth, pro-growth tax cuts without first raising other taxes. Their dogged adherence to their policy as it applies to AMT puts them at odds with the American people.

The overwhelmingly bipartisan Senate bill, as has been said, rightly abandoned the misguided idea of raising taxes to cut taxes just so Washington can spend more. In this tax fight, the stakes for everyday families are high, and the potential consequences are severe.

Mr. Speaker, just 4 weeks ago Speaker PELOSI stood and promised the middle class tax fairness and fiscal responsibility. In light of this attempt, I wonder how we can't just come together, stop the political games, and
support real tax relief for 23 million American families.

Mr. NEAL of Massachusetts. Mr. Speaker, without this bill passing, there are 74,000 people in Mr. CANTOR’s district that will pay alternative minimum tax relief. We’ll pass this legislation, offering AMT relief to middle-class families without increasing the Federal deficit.

My good friend from Wisconsin said earlier that this sets a new precedent. Yes, it does. We’re going to be paying for this tax relief. That is precedent setting. To do otherwise would be an abdication of our responsibilities, both as legislators, and as stewards of our Nation’s capital.

This administration has presided over 7 years of fiscal mismanagement. Spending has skyrocketed. Entitlements have expanded. Taxes have been cut without any regard to the bottom line.

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As a result, our budgets haven’t balanced, our surpluses turned into deficits, our national debt exploded, and our borrowing from other countries more than doubled.

If there was ever a time when fiscal discipline was necessary, it’s today.

From day one, this Democratic majority has displayed a commitment to budget enforcement. One of our first acts as a new majority was to implement PAYGO rules. The position of this House and this majority has not changed. Congress must pay as we go, and we pay for tax relief today by closing loopholes which allow tax avoidance for wealthy folks who move their money offshore, and we take what we gain from closing that loophole and in turn we pay for middle-class tax relief. Twenty-three million people will be hit with a tax increase if we don’t pass this.

This legislation provides responsible tax relief. It does not increase the deficit and it deserves our vote.

Mr. McCrery. Mr. Speaker, several of the speakers on the majority side have said that this bill provides tax relief for 23 million middle-class taxpayers. That is simply not correct, at least not in the common sense of that term.

If you ask somebody on the street, a taxpayer, if you pay the same amount in taxes this year as you paid last year, is that tax relief? No. They’re paying the same in taxes. That’s all this bill does. Doesn’t give them any relief. If you ask that person on the street, if you pay the same amount of money you paid last year, is that a tax increase? Yes. We’re trying to prevent 23 million taxpayers from getting a tax increase. We’re not giving them tax relief. We’re preventing a tax increase.

So why on Earth, to prevent that tax increase, should we increase taxes on somebody else? It just doesn’t make sense, Mr. Speaker.

Mr. Thompson. At this time, to further elucidate that point and others, I yield 2 minutes to the gentleman from Texas (Mr. Hensarling).

Mr. Hensarling. Mr. Speaker, I thank the gentleman for yielding, and he makes a very good point. I think as hard as I look at this bill, I can’t find any tax relief in it. People who somehow think that by preventing a massive tax increase on the American people, that that’s tantamount to relief, they need to talk to the schoolteacher in Mesquite, Texas. They need to talk to the rancher in Murchison, Texas.

Again, if you make the same amount of money next year that you made last year and you’re paying the same amount of taxes, where’s the tax relief? This bill is misnamed. The alternative massive tax increase because it’s a massive tax increase on the American people of $55.7 billion. The only thing that’s alternative about it is who has the grandeur and pleasure of paying for this tax.

Now, I’ve heard many speakers on the other side of the aisle come and say, well, we pay for it. Well, that will certainly come as a great relief to the teachers and the ranchers and the small business people of the 5th District of Texas that know that you’re not going to increase their taxes because somehow you’ve paid for it.

You haven’t paid for anything. You’ve put a massive tax increase on the American people, and in this particular case, you are putting it on investment. You’re putting it on small businesses. You’re putting it on the capital of capitalism, and you are threatening the paychecks of the American people.

Now, I’ve heard many people come here to the floor and say, well, we have to be fiscally responsible; this needs to be revenue neutral. Well, I agree with my friends on the other side of the aisle. It does need to be revenue neutral. It ought to be revenue neutral, not the Federal Government. That’s the revenue neutrality that we should attempt to achieve here.

I heard my friend, the gentleman from Massachusetts, say, well, we have to pay this or there’s going to be this tax increase. Well, there’s another alternative. There’s several alternatives. One’s the Taxpayer Choice Act, which would get rid of the AMT once and for all.

There’s a clear choice before us. Who’s going to get the $55.7 billion, Federal Government bureaucrats or American families? We vote for the American family.

Mr. Neal of Massachusetts. Mr. Speaker, one of the reasons I like Mr. McCrery is because I think he’s one of the smartest guys that serves here in this institution, and let me just say this.

I agree with what he said. If you stop 23 million people from getting a tax increase, that is tax relief. There are many of the speakers in Mr. Hensarling’s district that are going to pay alternative minimum tax if we don’t pass this legislation.

Mr. Speaker, with that, I yield 2 minutes to the gentleman from North Dakota (Mr. Pomeroy).

Mr. Pomeroy. Mr. Speaker, I thank the gentleman for yielding.

This has been a very curious discussion, and statements made have no relation whatsoever to either reality or to history.

We just heard the pay-for in this bill described as a massive tax increase that will affect teachers in Texas. This bill goes after hedge fund managers, parking income in Bermuda bank accounts, exploiting tax loopholes and not paying what they owe. The alternative is to do what the minority is suggesting, and that is to borrow the money, borrow the money and let the kids worry about how they’re going to pay it back in their day. Well, at least we have agreement we need to address the alternative minimum tax, but let me tell you why we’re worried about borrowing the money.

When President Bush took office, the gross national debt has increased nearly $3.5 trillion. At that rate of borrowing, do you know something? We will borrow an additional $57 million in the course of this debate. It is truly astounding the red ink that they’ve run this country into, and all we hear from them today is more borrowing, please.

You know, they had a chance during their tenure here to fix the alternative minimum tax. They say we shouldn’t have to pay for it because it was never intended to act this way. Well, they had 7 years to fix this alternative minimum tax, and instead, you know what they did? They counted the revenue that was projected to come in on the alternative minimum tax to justify those tax cuts. Those budget-busting tax cuts passed in 2001 and 2003 that have put us in this deficit ditch that we find ourselves in.

It’s time for fiscal responsibility. Pass this bill. Pay for AMT relief.

Mr. McCrery. Mr. Speaker, I yield myself so much time as I may consume.

Mr. Speaker, some of the Members of the majority who seem to be so sincere about not borrowing any more money are the same people that are voting for appropriations bills that exceed what we spent last year plus inflation. So they don’t seem to be worried about borrowing more money to spend on goodness knows what. And they’re not suggesting yet that we just wipe out the deficit and begin to prevent any more borrowing by raising taxes totally to do away with the deficit. So we’re just talking about a degree of
We, the parties in this House. We don't want to increase taxes to balance the budget. We'd rather reduce spending. We'd rather hold the line on spending, non-defense discretionary at least and non-homeland security discretionary. We don't want to increase the deficit by increasing taxes; whereas, the majority is content to raise spending to increase the debt, and then the only way they want to address the debt is to increase taxes.

That's a pretty clear demarcation, Mr. Speaker, of the philosophies of the two parties, and it becomes quite apparent as this year has progressed.

Fortunately, the majority, which was then the minority, voted with us the last time a massive AMT patch, with no pay-for, the now-majority who was there then voted overwhelming with us to do exactly what we're suggesting we now do and what the other body has already passed.

Mr. Speaker, that's the clear resolution of this problem. I beg the majority, let's don't delay this anymore. Don't cost the taxpayers anymore. Don't make the IRS send another set of forms to the printer. Don't delay the refund that may be as large as 50 million taxpayers. That wouldn't be right for our inaction.

So let's get this off the floor. I don't have any more speakers. Let's vote, get this done, and then we can get on to really solving the problem.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman for clarifying the issue of why we should borrow the money. With that, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I understand after what the gentleman just said that he would like to stop debate and move on because, with all due respect, that's turning it on its head.

He's right. When they were in charge, they did offer up a fix that President Clinton mercifully vetoed because if it had been in place in 1999, their proposal would have raised almost $300 billion more in deficit spending. But when they were entirely in charge for the last 6 years, they ignored this all to the point that, I yield 2 minutes to Mr. MCCRERY.

Mr. MCCRERY. Not for the year 2007, which is the object of the legislation before us.

Reclaiming my time, yes, this legislation deals with tax year 2007. If we do nothing, the AMT goes into effect for tax year 2007. The President's budget says for tax year 2007 there should be a patch, a freeze on the AMT so that it doesn't affect additional taxpayers, and he does not call for the revenues in his budget.

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

Mr. NEAL of Massachusetts. Mr. Speaker, might I inquire as to how much time remains on each side?

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. NEAL) has 6½ minutes remaining. The gentleman from Louisiana (Mr. MCCRERY) has 4½ minutes remaining.

Mr. NEAL of Massachusetts. With that, I would like to yield 2 minutes to the gentleman from New Jersey, who has been a longtime advocate of repealing the AMT, Mr. PASCRELL.

Mr. PASCRELL. Mr. Speaker, I'm glad we had that last exchange because that's the heart of the issue. It's disingenuous. It's almost bordering on hypocritical because it was the administration, the same administration that got us into this mess, assumes the revenue that we will be accepting from AMT every year. This is disingenuous. Tell the American people what the whole story is, not just half the story.

What we want to do, Democrats, we want to prevent millions of working families, 100,000 in my own district, from seeing their taxes increase substantially. We're talking $3,000, $4,000. We're not talking chicken feed here. It pays for the lost revenue by stopping hedge fund managers and corporate CEOs from escaping income taxes by using offshore tax havens.

I can only conclude from what I have heard this evening that the minority wants to protect tax evaders. That's what you want to do. Tell the American people straight up what you want to do. You don't want to protect the fireman, the police officer, the doctor, the teacher. You want to protect that small group of people, you heard the Speaker talk about it, 5,000 to 10,000 people. That's what this protection scheme of yours is all about.

Most Americans think that what we're trying to do is fair and decent and reasonable because it is. But in the warped reality of Washington, there are Members of Congress who believe otherwise. There are actually Members who would rather see working families bear the burden of tax hikes than even a minor adjustment in the Tax Code to ensure that the richest among us pay their fair share. This is what this is all about. Fairness. You kicked the can down the street further. It's our children and our grandchildren that will have the burden.

Speak up tonight in one voice. You have an opportunity. The barometer is not Wall Street; it's Main Street.
New Jersey is certainly correct that from 2008 to 2017, the President’s budget does, indeed, assume revenues from an increase in the AMT. However, the President’s budget also assumes making permanent the tax cuts of 2001 and 2003, and then paying all those cuts, and when you do, the President actually gets a fairly level percent of GDP, around 18.5 percent of GDP, coming into the government in the form of revenues. Under the majority’s PAYGO rules, if continued to be applied, and I hope they’re not, we would see revenues as a percent of GDP rise by 2017 to 20.1 percent of GDP. So there’s a big difference between the PAYGO rules of the majority and what the President has proposed.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I would like at this time to yield 1 minute to the gentlewoman from Pennsylvania (Ms. SCHWARTZ).

Ms. SCHWARTZ. Mr. Speaker, I rise today in strong support of the AMT Relief Act, a bill that’s going to provide tax relief to millions of middle-income Americans.

If this legislation is not passed, more than 128,000 Nevada taxpayers will see their taxes increase by the AMT. This includes more than 30,000 people in my district who were never intended to pay this tax, and they elected me to make sure that they don’t.

Now, I believe the alternative minimum tax should be eliminated, but until it is, this bill provides the necessary temporary solution to protect 23 million Americans who would be hit cruelly by an increase in the AMT in 2007.

This bill also ensures that more working parents will be able to benefit from a refundable child tax credit. Currently, families who would benefit the most from the $1,000 refundable credit actually make too little to qualify. This bill lowers the income barrier, allowing all eligible families earning more than $8,500 to benefit.

It’s important to note that the tax relief in this bill is fully paid for and will not add a dollar to the national debt. That’s fiscal responsibility.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to yield 1 minute to the gentlewoman from Pennsylvania (Ms. SCHWARTZ).

Ms. SCHWARTZ. Mr. Speaker, I want to thank Chairman NEAL for his leadership on this issue and for his dedication to tax relief for middle-income Americans.

Why are we again talking about the AMT? We are here because Republicans have mortgaged our grandchildren’s future with additional foreign-owned debt—giving the Senate one more chance to do the right thing. While fixing the AMT is of utmost importance, we cannot afford to mortgage our children’s and grandchildren’s future to pay for this tax relief.

Our country is currently burdened with over $9 trillion of national debt, with each American’s share at nearly $30,000. We simply cannot afford to keep adding to this.

Mr. Speaker, the Democrats in Congress are providing common sense tax relief for middle-class American families, and we are doing it in a fiscally responsible way.

I urge this bill’s adoption.

Mr. NEAL of Massachusetts. I would like to call upon at this time the majority leader of the House of Representatives, my friend, Mr. HOYER, to close the debate on our side.

Mr. HOYER. I thank my friend from Massachusetts (Mr. NEAL).

I want to say at the outset that I am pleased that Mr. McCREADY is on the floor. There will be other times to say this, but Mr. McCREADY is one of the respected Members of this House. I think he serves us well as ranking member of the Ways and Means. I know he’d rather be chairman of the Ways and Means, but we like him as ranking member. He has dedicated himself to being with us in the next Congress. That’s regrettable because he is one of the good Members of this Congress, and I want to say that to my friend.

Now, let me talk about the question at hand. Mr. Speaker, we debate here in the House, and many Americans have the opportunity to see this debate. This debate is a relatively simple
debate. It’s not just about the alternative minimum tax or the consequences of not putting a so-called patch, and nobody in America knows what that means but simply it means saying that the alternative minimum tax won’t affect 25 or so million people in America that US senators on either side of the aisle want that to happen. The issue is not whether or not any of us feel that ought to happen. Is it do you pay for it? Do you provide for the revenue fix that will be necessary if we cut that revenue?

Let me say to my friend from Louisiana, he has said a number of times on this floor that the President didn’t count the revenue for this year from the AMT. He didn’t provide the money to pay for it. He simply didn’t anticipate the revenue. What he did not say, however, is that the President did not anticipate the revenue for the next 9 years. Furthermore, the President anticipated in 2006 that we would have the revenue generated by the AMT in the year we’re going to so-called fix, so that the administration sent us a budget counting on this revenue that we are about to say we won’t receive.

So I tell my friend from Louisiana, it is somewhat misleading. I think, not intentionally, I understand, to say that the President didn’t rely on the revenue for this budget. That’s true. He relied on it last year and the year before that and the year before that and the year before that and the year before that. And he relied on it. I tell my friend, to offset your tax cuts because, as you recall, in your 2003 tax cut, part of the revenue that was anticipated was this revenue that the gentleman says he does not want to collect and that the President is not relying on for 2007. He’s accurate but in a very narrow sense, because the President has relied upon it every other year.

Mr. McCrery. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to my friend.

Mr. McCrery. I thank the gentleman. The gentleman likewise is accurate in his remarks, very cleverly so.

Mr. HOYER. Is that a compliment or not?

Mr. McCrery. Yes, sir, it is. But the fact is the most recent budget submitted by the President for this taxable year, 2007, does not, in fact, assume the revenues from an increase in the AMT.

Mr. HOYER. Reclaiming my time, Mr. Speaker, the gentleman is absolutely correct and that’s my point. But in previous years the President has told us in his budget this revenue would be available, and he has relied on that to offset what would otherwise be larger deficits either as a result of tax cuts or of spending. He has relied on this money.

So what we are saying on this side of the aisle is let’s pay for the revenue that the President anticipated if we’re not going to take it, and none of us want to take the revenue that is generated by the alternative minimum tax in this fiscal year.

1815

So, ladies and gentlemen, if we don’t pay for it, what do we do? Because the President relied upon it in previous budgets, and, frankly, the Congress did as well on both sides of the aisle. If that revenue does not come in and we don’t pay for it, there is only one thing to do: borrow. And this administration has borrowed more money from foreigners than any administration in history all together. From Washington to Clinton, all together they didn’t borrow as much money as this President has borrowed from foreign governments and put our country at risk. We’re saying let’s stop that. And in the 1990s, ladies and gentlemen of this House, we said let’s stop that. Who’s “we”? President Bush, the Democratic House and the Democratic Senate said let’s stop that, and we adopted PAYGO. And in 1997 we had another agreement, and a Democratic President and a Republican Congress said let’s continue that policy because we believe it’s a good policy.

And just a few years ago, the former chairman of the Budget Committee, Jim Nussle, who is now the Director of the Office of Management and Budget, said PAYGO is a policy that has worked, and we ought to pursue it. But as my friend knows, in 2001, we simply abandoned PAYGO. Why did we abandon PAYGO? Because demonstratively it had worked. For the previous 4 years we had, for the first time in the lifetime of anybody in this House of Representatives, had 4 budget years in a row that produced a surplus. Four. Why? Because we had a PAYGO in place. Why? Because when we wanted to take actions, we had to have the consequences of our actions and tell the American public it was not a free lunch. We pay for it.

That’s simply what this bill does. It pursues the policy of fiscal responsibility. It abandons the policy of fiscal irresponsibility and the pretense that there is a free lunch that we have been pursuing for the last 7 years and incurred that $1.6 trillion, give or take $100 billion, in the last 7 years.

Ladies and gentlemen of this House, no one wants to have a tax increase for these 25 million people. It was never intended. But some Democratic colleagues say we didn’t intend this, so we ought not to pay for it. That’s like saying I didn’t intend to run the stop sign and have an accident, and therefore, we don’t have to pay for the consequences. We have relied on this money, the President has relied on this money. But we’re saying we’re not going to collect it, but we will responsibly pay for it.

In closing, let me say that CHARLIE RANGEL likes to quote RUSSELL LONG, who said: “Do not tax me. Do not tax thee. Tax the man behind the tree.” Unfortunately, ladies and gentlemen of the House, the policies that we pursue are not taxing me and not taxing thee, but taxing the children and the grandchildren behind the tree.

It takes courage to pay for things. The largest expansion in entitlement programs in the last 25 years was done with hardly any Democratic votes and all Republican votes, and it wasn’t paid for. We were told that it was within the budget. It wasn’t. It wasn’t paid for. Our children and grandchildren will pay that bill.

Have the courage, the wisdom, and the good common sense to adopt this legislation, and urge our colleagues in the other body to share that courage, to share that common sense to morally step up to the plate and have this generation pay for what it buys. Pass this important bill and pay for it.

General Leave

Mr. NEAL of Massachusetts. Mr. Speaker, I would ask unanimous consent that all Members have 5 days in which to revise and extend their remarks.

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

There was no objection.

Mrs. JONES of Ohio. Mr. Speaker, I am pleased to see that once again we have a responsible solution to the alternative minimum tax from a broad, policy-oriented perspective. The alternative minimum tax is a critical issue for the American middle class taxpayer who does not get to take advantage of sophisticated tax planning and legal loopholes in the tax code. It is time that we addressed this issue once and for all to relieve the American taxpayer from the anguish with the AMT. A permanent fix is what we really need, but today we have to plug the dike once again.

It is particularly ironic that a tax that was meant for 155 wealthy individuals has become the bane of existence for millions of American taxpayers. Indeed the AMT has become a menace. Over seven thousand hardworking Ohioans in my district had the grim task of filing a return with AMT implications in the 2005 tax year. Those taxpayers were not taxing me and not taxing thee, but taxing the children and the grandchildren behind the tree.

Taxes are what we pay to live in civilized society,” but dealing with the AMT has become a bit uncivil.

Mr. ENGEL. Mr. Speaker, I rise to address H.R. 4351, the Alternative Minimum Tax Relief Act.

Mr. Speaker, the original idea behind the alternative minimum tax, AMT, was to prevent
people with very high incomes from using special tax benefits to pay little or no income tax. The AMT’s reach, however, has expanded beyond just the wealthy to threaten millions in the middle class. And when the AMT applies, its costs are often substantial.

One reason for the AMT’s expansion is that, unlike the regular income tax system, the AMT is not indexed for inflation. Another reason is that individual income tax cuts enacted since 2001 have provided higher credits and deductions and lowered tax rates, thereby leading to more taxpayers owing tax under the AMT. Last year, 6 million taxpayers were affected by the AMT. The Joint Committee on Taxation estimates that, if Congress does not act, 23 million taxpayers will be affected this year. That will include over 54,000 families in my district—many of whom do not have very high income, and do not receive many special tax benefits. We need to protect these Americans from the AMT.

Further, according to the New York City Independent Budget Office, the percentage of New York City taxpayers currently hit by the AMT for 2006 is 6.7 percent versus 4.0 percent. Further, according to the New York City Independent Budget Office, the percentage of New York City taxpayers currently hit by the AMT for 2006 is 6.7 percent versus 4.0 percent.

Mr. DINGELL. Mr. Speaker, I rise today in support of H.R. 4351, legislation that will provide a solution to the looming Alternative Minimum Tax crisis. I am disappointed that President Bush and the Republican minority are opposing our efforts to pass this legislation. If this bill is not passed by the Senate and signed by the President, more than 60,000 families which I have the honor of representing here in the House will be required to pay the AMT when filing their 2007 return—an increase of almost 1000 percent since 2005.

I also support the Democratic majority’s continuing commitment to responsible fiscal policies. The relief provided in this bill is paid for by closing tax loopholes that allow hedge fund managers and corporate CEOs to use offshore tax havens as unlimited retirement accounts. That the President and his party would side with a few of the wealthiest individuals over millions of middle class American families speaks volumes about their misplaced priorities.

Mr. UDALL of Colorado. Mr. Speaker, I will vote for this bill—as I did for a similar measure last month—because of the urgent need to protect middle-income families from a massive tax increase that will hit them if we do not act to adjust the Alternative Minimum Tax, or AMT.

The bill is not quite the same as H.R. 3996, which I voted for and which the House passed on November 9th. But it resembles that bill—and differs from the version passed by the Senate—in one very important respect: it is fiscally responsible.

The Senate has voted for a bill that does not even attempt to offset the costs of changing the AMT. I think that should not be our first choice, because for too long the Bush Administration and its allies in Congress have followed that course—their view, in the words of Vice President Cheney, has been that “deficits don’t matter.”

I disagree. I think deficits do matter, because they result in one of the worst taxes the prevention of additional debt that must be repaid, with interest, by future generations. I think to ignore that is irresponsible and falls short of the standard to which we, as trustees for future generations, should hold ourselves. So, I think that the House pass this bill and give the Senate a second chance to reach that standard.

It may be that our colleagues at the other end of the Capitol will not take advantage of that opportunity, and it may be that in the end the urgency of protecting middle-income families from the AMT will take priority over correcting the mistaken policies of the last 7 years.

But at least for today, we should not give up hope that better judgment will prevail and so we should vote for this bill as it stands.

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

The SPEAKER pro tempore. The motion to recommit.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 861, the bill is considered read and the previous question is proffered.

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.

MOTION TO RECOMMIT OFFERED BY MR. MCCRERY.

Mr. MCCRERY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MCCRERY. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MCCRERY moves to recommit the bill H.R. 4351 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendments:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Tax Increase Prevention Act of 2007”.

SEC. 2. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 (relating to exemption amount) is amended—

(1) by striking “$62,500 in the case of taxable years beginning in 2006” and inserting “($62,500 in the case of taxable years beginning in 2007)”;

(2) by striking “$42,500 in the case of taxable years beginning in 2006” and inserting “($42,500 in the case of taxable years beginning in 2007)”;

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 3. EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) of the Internal Revenue Code of 1986 (relating to special rule for taxable years 2000 through 2006) is amended—

(1) by striking “or 2006” and inserting “2006, or 2007”, and

(2) by striking “2006” in the heading thereof and inserting “2007”.

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

There was no objection.

POINT OF ORDER

Mr. NEAL of Massachusetts. Mr. Speaker, I make a point of order that the motion to recommit violates clause 10 of rule XXI because the provisions of the measure have the net effect of increasing the deficit over the requisite time period. The cost of 1 year of AMT relief is $50 billion, and the motion contains no provisions to pay for that relief.

The SPEAKER pro tempore. Does any Member wish to be heard on the point of order?

Mr. MCCRERY. Mr. Speaker, I do not believe it is the intent of clause 10 of rule XXI to require tax increases to pay for preventing scheduled tax increases. That is precisely what we are debating on this point of order.

If the Chair determines that this motion violates rule XXI and the House sustains this ruling, then the House is endorsing more than $3 trillion of tax increases over the next 10 years.

PAYGO, as a budget enforcement law between 1990 and 2002, as the majority leader referred to, required automatic spending reductions across the government when budget targets were not met. Rule XXI, should it apply to this motion, is a very, very different PAYGO. It would prevent any Member from offering an amendment that prevents a tax increase without another tax increase. I would understand, and even strongly support, an interpretation of rule XXI that had the effect of requiring spending reductions to offset increases in spending.

Further, while I would not necessarily endorse it, I could understand a PAYGO interpretation that requires a spending cut or tax increase to offset any reduction in current tax rates, or an increase in any current tax deductions or credits; but that is not what we’re dealing with here today, Mr. Speaker. Instead, with my motion, we are simply maintaining the Federal Government’s current take, so to speak, from the people.

Current individual tax rates and policies have largely been in place as they are since 2003 and have led to sustained increases in revenue to the Federal Government. In fact, the annualized increases over the last 3 years have been 14.6 percent, 11.7 percent and 6.7 percent.

As such, if my motion passes and is eventually enacted, we will again see increased revenue, it is projected, to the Federal Government next year. Those who wish to apply PAYGO to my
motion, those who wish to object to my motion, are advocating very clearly that they want to lock in not only the largest revenue take in history, but also the largest tax increase in history. These tax increases will lead the government to collect more than 20 percent of GDP from its citizens by the end of the decade, and far higher in the years that follow. These tax increases will be of such a dramatic magnitude that they threaten to bring our economy to its knees and render it uncompetitive in the global marketplace.

The motion I have offered contains no new spending, no new tax increases. Instead, it simply prevents a tax increase. That, I submit, is not what rule XXI was designed to prevent. I urge the Speaker to reject the point of order.

The SPEAKER pro tempore. Does any other Member wish to be heard on the point of order?

Mr. MCCREERY of Massachusetts. Mr. Speaker, I insist on my point of order.

The SPEAKER pro tempore. The gentleman from Massachusetts makes a point of order that the amendment proposed in the motion violates clause 10 of rule XXI by increasing the deficit.

Pursuant to clause 10 of rule XXI, the Chair is authoritatively guided by estimates made by the Committee on the Budget that the net effect of the provisions in the amendment affecting revenues would increase the deficit for a relevant period.

Accordingly, the point of order is sustained and the motion is not in order.

Mr. MCCREERY. Since that was an awfully quick ruling, Mr. Speaker, I most respectfully do appeal the ruling of the Chair because this may be the only opportunity we have to vote from this tax increase interpretation so that we can clear a bill that the Senate will pass and the President will sign.

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

MOTION TO TABLE OFFERED BY MR. NEAL OF MASSACHUSETTS

Mr. NEAL of Massachusetts. Mr. Speaker, I move to table the motion to appeal.

The SPEAKER pro tempore. The question is on the motion to table.

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

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

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

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to table will be followed by a 5-minute vote on the passage of the bill, if ordered, and if arising without further debate or proceedings in recommittal.

The vote was taken by electronic device and there were—yeas 225, nays 191, not voting 15, as follows:

(Roll No. 1152)

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CHILDMEN’S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007—VEETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110-80)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 3963, the “Children’s Health Insurance Program Reauthorization Act of 2007.” Like its predecessor, H.R. 976, this bill does not put poor children first and it moves our country’s health care system in the wrong direction. Ultimately, our Nation’s goal should be to move children who have no health insurance to private coverage—not to move children who already have private health insurance to government coverage. As a result, I cannot sign this legislation.

The purpose of the State Children’s Health Insurance Program (SCHIP) was to help low-income children whose families were struggling, but did not qualify for Medicaid, to get the health care coverage that they needed. My Administration strongly supports reauthorization of SCHIP. That is why in February of this year I proposed a 5-year reauthorization of SCHIP and a 20 percent increase in funding for the program.

Some in the Congress have sought to spend more on SCHIP than my budget proposal. In response, I told the Congress that I was willing to work with its leadership to find any additional funds necessary to put poor children first, without raising taxes.

The leadership in the Congress has refused to meet with my Administration’s representatives. Although they claim to have made “substantial changes” to the legislation, H.R. 3963 is essentially identical to the legislation that I vetoed in October. The legislation would still shift SCHIP away from its original purpose of covering adults. It would still include coverage of many individuals with incomes higher than the median income in the United States. It would still result in government health care for approximately 2 million children who already have private health care coverage. The new bill, like the old bill, does not responsibly offset its new and unnecessary spending, and it still raises taxes on working Americans.

Because the Congress has chosen to send me an essentially identical bill that has the same problems as the flawed bill I previously vetoed, I must veto this legislation, too. I continue to stand ready to work with the leaders of the Congress, on a bipartisan basis, to reauthorize the SCHIP program in a way that puts children’s health first, moves adults out of a program meant for children; and does not abandon the bipartisan tradition that marked the
original enactment of the SCHIP program. In the interim, I call on the Congress to extend funding under the current program to ensure no disruption of services to needy children.  

GEORGE W. BUSH.  


The SPEAKER pro tempore (Mrs. TAUSSCHER). The objections of the President will be spread at large upon the Journal, and the veto message and the bill will be printed as a House document.

MOTION OFFERED BY MR. HOYER  

Mr. HOYER. Madam Speaker, I have a privileged motion at the desk.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. HOYER moves that further consideration of the veto message and the bill, H.R. 3963, be postponed until January 23, 2008.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. HOYER) is recognized for 1 hour.

Mr. HOYER. Madam Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Texas (Mr. BARTON).

I ask unanimous consent that the gentleman from New Jersey (Mr. PALLONE) and the gentleman from California (Mr. BECERRA) each be allowed to control 15 minutes.

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

There was no objection.

Mr. BARTON of Texas. Madam Speaker, I would ask unanimous consent that we shorten the debate to 15 minutes each side. We don’t have that many speakers and the hour is late. I have a feeling people’s minds are not going to be swayed by the eloquence on either side on this debate.

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

Mr. HOYER. Reserving the right to object, I thank the gentleman for his comments. I think perhaps we may not need to have a vote on this, I would agree, but there are some number of speakers on our side who would like to speak. I don’t know whether we will have 10, maybe 15 speakers cumulatively. If the gentleman might prevail on his side, maybe we wouldn’t ask people to come back for a vote, but we do have Members on our side who want to speak.

Madam Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The Chair recognizes the gentleman from California.

Mr. BECERRA. Madam Speaker, I yield 1 minute to the distinguished Speaker of the House.

Ms. PELOSI. I thank the gentleman for yielding.

I thank Mr. HOYER for his leadership on this very important legislation. He has worked very hard to try to achieve a level of bipartisanism on this legisla-

tion that could override the President’s veto. In the United States Senate, there is a substantial bipartisan majority large enough to override the President’s veto. I hope that we could achieve that in this House. We are not going to walk away from the light, as has been indicated by Mr. HOYER. That debate and that vote will take place on January 23.

It is just very interesting to hear the reasons why the President of the United States has vetoed the Children of America. Veto in Latin: I forbid. I forbid the children of America, the children of working families who play by the rules and want the best for their children, who are struggling to make ends meet and who need health care and the health care that keeps them in the workforce and off of welfare and off of Medicaid.

Madam Speaker, it is particularly interesting to hear in this debate on the omnibus bill where there is talk of hundreds of billions of dollars for the war in Iraq. For 40 days in Iraq, we can insure 10 million children in America; 40 days in Iraq, 10 million children in America. This is not an issue. This is a value. This is an ethic of the American people. The Democrats and Republicans, people of no party affiliation, everybody cares about the children of America. Over 80 percent of the American people support the SCHIP expansion that we want to do to double the number of children that are now being served.

So when the President says we have not met his objections, he is moving the goal post. In his first veto message, he said he is concerned about the fact that people making $80,000 would be eligible for SCHIP. But, the only way they could be eligible is if the President of the United States himself gave them a waiver. The President has given waivers to families making 300 percent of poverty. The President himself has written to me asking about that level of income for families, hardworking families to receive SCHIP.

The President said he is concerned that there are still adults in the program. The Democratic response, bipartisan, strong, with 45 Republican votes, said that the adults would be phased out. The reason some of them are in there in the first place is that in order to get the children into the program, Government thought that it would be important to bring families into the program, and the President of the United States, President Bush’s policy allowed that to happen. So he is turning his back on his own policy. He is turning his back on these children by saying that their families should be off of SCHIP.

So when the President says he is opposed to the bill because it raises taxes, then we get to the heart of the matter. This bill is paid for by an increase in the cigarette tax, and this is really why the President is vetoing the bill. The President is saying that rather than raise the cigarette tax, he would prefer to prevent an additional 5 million children in our country from getting access to quality health care.

The President has also said in other comments about this legislation, everyone in America has access to health care, they can just use the emergency room. That was probably one of the most ill-informed, with stiff competition for that honor, but nonetheless probably one of the most ill-informed statements that could ever be made by anyone dealing with public policy and access to health care.

So again, I think all the Members of Congress who voted for this in a very strong bipartisan way in the House and the Senate can take great pride in setting a high watermark for what this Congress should be doing for children of working families in America.

I salute Mr. HOYER, Mr. DINGELL, Mr. RANGEL, Mr. PALLONE, Mr. STARK for their exceptional leadership. I also salute Mr. LAHOOD for what he tried to do, bringing bipartisanship to all of this. I commend Senator GRASSLEY and Senator HATCH for their courageous leadership in the Senate, in leading the way to a veto-proof majority of Democrats and Republicans in the United States Senate.

Whether you are talking about Easter Seals or the March of Dimes, the Association of Catholic Hospitals, AARP, AMA to YWCA, to everything alphabetically in between, everyone supported SCHIP except the President of the United States and those in this body who will side with him on this vote.

What a sad day. What a sad day that the President would say, rather than insuring 5 million children, I don’t want to raise the cigarette tax. What a sad day when we would spend in 40 days in Iraq what it takes to insure 10 million children in America for 1 year. But we are not going to let this veto stand. We will continue to fight the fight until 10 million children at a minimum in America have access to quality health care under the SCHIP program. It is the wish of the Governors.

Mr. BARTON of Texas. Madam Speaker, I yield 1 minute to the distinguished minority leader from the great State of Ohio (Mr. BOEINER).

Mr. BOEINER. Let me thank my colleague for yielding.

At the opening of this Congress, the Speaker of the House said, let’s have partnership, not partisanship. And over the course of this year, I have been looking for that partnership to occur. There is probably no better example that the partnership has never supported over the course of this year than this bill.

On this bill, there were no hearings in the relevant committees. There was no markup through the regular legislative process in the Energy and Commerce Committee. And then the bill was brought to the floor in what I would describe as a very partisan way. The majority prevailed, but there was
a significant number of people opposed to the bill. And we are talking about the Children’s Health Insurance Program. We are talking about a program that was developed by Republicans and Democrats and was intended to meet the needs of the working poor in America. And yet over the course of the 10 years, I think the program has gone astray. We are starting to put more adults in a program than we did children. And what Republicans and I think Democrats want to do is reauthorize this program in a way that meets the needs of poor children first. That hasn’t been happening, and I think all the Members know it hasn’t been happening.

And so after this veto the first time was upheld, we began some bipartisan talks trying to find common ground to see if we couldn’t reauthorize this program in a way that the American people expect of us. They expect us to come here, work together, and find a way to reauthorize this program.

We had Members locked in a room for 2 months, a lot of conversation, a lot of very descriptive things that had to happen. We weren’t expecting miracles. And at the end of the day, my Members looked up and said, there is no movement. No movement at all. And I think that this deadlock that we find ourselves in is unfortunate, because there is a population in America that need this program. We could have resolved the differences in this program in 10 minutes if the majority wanted to resolve the differences.

But as we see again tonight, there is no attempt to resolve the differences. This has become a partisan political game that we are involved in. The motion that we are debating here is to move the vote on overriding the President’s veto until January 23. Hello. And this happens to be about 6 days before the President is going to come and give the State of the Union address.

We can have this vote right now and the outcome is certain. But no, no, we can’t have an outcome that is certain; we have got to continue to play political games. That is exactly what the American people are disgusted with when they look at this Congress and we see the approval ratings where they are.

I think it is time for us to resolve our differences in a bipartisan way and reauthorize this program and make sure that every American has the kind of health insurance that they deserve.

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

Madam Speaker, let me say it really pains me to listen to the minority leader say that no attempt has been made to resolve the differences on this legislation. I can’t think of a single bill in this Congress where the purpose of the leadership has been reaching out to the Republican side of the aisle on a daily basis. There have been so many meetings. I mean, there have literally been hundreds of meetings trying to reach out to the Republican side in the House to try to reconcile differences on this bill and come up with a consensus piece of legislation. The Republicans in the Senate have always been willing. They have reached out and asked. Some Republicans here in the House have been as well. But the leadership on the Republican side has not been. So I think it is very unfortunate that, as stated today, that that has not been the case. We have been constantly, and I defy anyone to say differently.

Madam Speaker, today for the second time this year President Bush turned his back on the health care needs of 10 million children. It was just 2 months ago when the President vetoed the Children’s Health Insurance Program Reauthorization Act, which had passed both the House and the Senate with overwhelmingly bipartisan support.

After that first veto we came together once again, Democrats and Republicans, and wrote a different bill that addresses many of the President’s concerns, including enrolling lower income children first. Today, President Bush vetoed the second effort, saying that it was notidentical to the first bill. And I would say it was not, and the President knows better.

The President’s second veto of CHIP legislation is a slap in the face not only to this Congress but to the millions of children who, without this bill, continue to be uninsured, or worse, basically lose the insurance they currently have.

Every day the parents of more than 9 million children worry when their kids have an earache, toothache, asthma, all this before they finally have to take them to the hospital emergency room. And the President seems satisfied with the status quo. In fact, in the past he has stated that every American has access to health care because they can always go to the emergency room.

Let me tell my colleagues, this fall I visited an emergency room in my district and it was not a great place for a kid to visit. It is the scene of trauma. Children are forced to share space with people who have overdosed on alcohol or drugs. Most emergency rooms are overwhelmed with real emergencies and have few resources to treat people who need regular family care.

The American people want our children to get to see a doctor on a regular basis. And the President is deluding himself if he doesn’t think this veto is going to hurt millions of children. And those Members voting to sustain the President’s veto are just as guilty of turning their backs on millions of children who will be denied regular visits to see a doctor.

I urge my Republican colleagues to vote their conscience. Let’s override the President’s veto so we can ensure that 10 million children receive the health care they need to grow up healthy and strong. This is the right thing to do for our country.

Madam Speaker, I reserve the balance of my time.

Mr. BARTON of Texas, Madam Speaker, I yield myself 3 minutes.

Mr. BARTON of Texas asked and was given permission to revise and extend remarks.

Mr. BARTON of Texas, Madam Speaker, everybody has said all that needs to be said on this debate; we just haven’t said it this third or fourth time that we are here on the House floor. As the minority leader pointed out, at some point in time it still may be possible to reach a consensus on reauthorizing the SCHIP program because people on both sides of the aisle want to keep the program moving forward. The problem that most Republicans have is that we support the base program for near-low-income children between 100 and 200 percent of poverty. We don’t think that the SCHIP program, which was a children’s health insurance program, should be for illegal aliens. We don’t think it should be for illegal aliens. We think it should be for children between 100 percent to 200 percent of poverty, and perhaps slightly higher than that if a good-faith effort has been made to cover children in that income bracket.

My friends on the other side of the aisle appear to want to use this as a surrogate for universal health care. In some versions, the original version that came out in the CHAMP bill, they wanted to go as high as 300 and 400 percent of poverty. They continued, although they say they don’t want to cover noncitizens, they won’t agree to enforcement measures that make that possible. And they don’t want adults on the program to have to exit the program in some reasonable time period, so we have the impasse that we have today.

There haven’t been many times in our Nation’s history that we have postponed a veto override. I think less than 10 percent of the time less than 5 percent of the time, but we have done it twice in a row on this particular bill. So we will postpone the bill until the week of the President’s State of the Union so there can be more political posturing on the majority side right before the President comes before a joint session of Congress.

This majority is right to try to post-pone that vote to that time. It would be better if we went ahead on it tonight, sustained the President’s veto tonight so we could then hopefully continue work or start working in a bipartisan way to actually get a SCHIP reauthorization that was more than a 1-month extension at a time.

When we have the vote tonight, the President’s veto will be sustained. When we have the vote in January, the President’s veto will be sustained. At some point in time we may yet get together and cut away one a compromise policy that both sides can agree to and have a 435-Member vote. Apparently that will not be any time in the near future.
Mr. BERCERA. Madam Speaker, I yield 1½ minutes to the distinguished gentleman from Texas (Mr. DOGGETT), a member of the Ways and Means Committee.

Mr. DOGGETT. Let's be very clear about what is being postponed and who is doing the postponing. When this President exercised his second veto, he postponed our desire to see that children get the health care that they need. And tonight, when Republicans in this Chamber, their nicotine-pedaling allies stand in the way of the door in this House and their nicotine-pedaling allies stand in the way of the door we need. And tonight, when Republicans mean the postponing. When this President exercises the power, well, here we are again. When the President projects a policy and says they are 19 years and under, and yet I have a health care plan which is for American children, they continue to insist that that loophole should not only be continued but also expanded. I would urge us to go ahead and vote now. Let's just talk about it. Let's do and say what we mean.

Mr. PALLONE. Madam Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. KAGEN).

Mr. KAGEN. Madam Speaker, I thank my colleagues for offering an opportunity, not just this evening, but during this next month for our Nation to begin to answer the question of our time, and that question is this: What kind of Nation are we when we turn our backs on the children of our future? And what kind of President would turn more towards saving the profits of a corporation than the lives of our children?

The SCHIP bill is good for our Nation's health. It is good for our children. It is far more economical to have children be seen by their physicians in their doctor's offices than in the emergency room. It just makes sense. But sometimes I am coming to find here, if it makes sense, it may not happen while we have the President that we do.

I have been witnessing a great deal of misinformation about this bill. I have read every single page of the SCHIP bill, and I have heard the opposition in the minority speak up regarding with what I call misinformation. The fact is that this bill provides for children who are 19 years and under, and yet I have heard them say age 25. I have read what the bill says, and it says it is two times poverty, $41,000 of annual income, and yet I have heard them stand up and claim that it will cover people up to $83,000. That is misinformation.

I have heard them claim it is not really private health care but the slipping slope to socialized medicine. Well, we don't need socialized medicine in America. This is private health care. It is private doctors, private clinics and insurance companies, private hospitals providing the care that these children require. It does not cover any illegal immigrants. It covers people who are here legally. So no more misinformation, no more lies. SCHIP is good for our children. It is good for our economy. It is good for our Nation's soul.

Madam Speaker, I ask everyone to understand that the people of Wisconsin sent me here because they feel that we all have an obligation to get our country back. People across Wisconsin are saying the same thing, they want their country back. They want a country that has a border they can see and defend, and they want a country that believes in providing access to affordable health care for all of our children, no matter their economic means. We must have this time to discuss SCHIP all across the Nation and answer the question: Whose side are we on and what kind of Nation are we?

Mr. BARTON of Texas. Madam Speaker, I yield to the gentlewoman from Illinois (Mrs. BIGGERT) who has been one of the Republican negotiators on this issue in Congress, and we have been occurring at various times over the last month.

Mrs. BIGGERT. Madam Speaker, as many of my colleagues know and as the gentleman from Wisconsin said, I have been part of a group of Members from both sides of the aisle, and from both chambers who have been meeting actually over the past few months to try to find common ground on SCHIP legislation.

I am afraid that some of the facts that the gentleman from Wisconsin stated, he made some statements that would hope he would join our group and we could go over those facts, such as the $83,000. For my colleagues who have taken part, they know very well that these discussions that we have been having were productive at times and less productive at other times. But despite our disagreements and the bumpy road, I think we persisted and continued to meet because we believe this is one of the most important issues that Congress will address.

The genesis of these meetings originated from a letter that 38 House Republicans sent to the President on October 18, and in that letter we laid out principles that we believed would be necessary to secure our votes on the legislation and make this truly a bipartisan reauthorization of SCHIP. These basic principles included covering low-income children first, SCHIP for kids only, SCHIP should not force children out of private health insurance, SCHIP is for American children, and the funding should be stable and equitable. It is important to note that the letter did not mention the tax increase or the $35 billion in additional spending.

Democrat also had their principles for the legislation. With these principles, we agreed to discuss how we could change the bill in a way that would gather the support of a significant number of House Republicans and
Mr. EMANUEL. Can I ask the ranking member to yield?

Mr. EMANUEL. My recollection is a little bit different from your recollection. I believe that politics is a good thing, and that nothing in this bill has an enforcement mechanism to move children who are not citizens off the roll. None of the one thing moves that. And the 200 percent of poverty, the original SCHIP bill was between 100 and 200 percent of poverty. That’s still a good principle. There are not 10 million children in America between 100 and 200 percent of poverty. The most authoritative number is that there may be an additional 800,000.

Now, the current SCHIP bill covers about 6 million children. In order to get to the 10 million number, you have to go way above 200 percent, probably above 300 percent and maybe even as high as 400 percent. So this 10 million number, there are about 80 million children in America. Most of those are luck, but they have health insurance through some sort of a private sector employee-sponsored health insurance program. Six million have it under SCHIP, and then there are several million that have it under Medicaid. But there are not 10 million between 100 and 200 percent of poverty.

Those of us on the Republican side, we support SCHIP. We support the original program. We may even support something expanding it beyond the original program. But we don’t support some of the ideas that take it up to as high as 300 to 350 percent of poverty, that cover noncitizens and that cover adults. That’s what this debate is all about.

So we hope that we have an opportunity. We hope that we have a veto and that we sustain the President’s veto, and then maybe my friend from Illinois and myself can actually enter into a bipartisan negotiation that does exactly what he wants to do and what people like myself want to do.
Mr. BARTON of Texas. I would yield for 30 seconds.

Mr. EMANUEL. First of all, it wasn’t part of welfare reform. Welfare reform had a 1-year transitional for Medicaid. It wasn’t part of that, which is a point you make. Second is, SCHIP was so successful, while the rest of the population actually had an increase in uninsured, the only group in America for the last 7 years that had actually a decrease in the children until last year. This is a product of answering the shortcomings between Medicaid and private insurance.

Mr. BARTON of Texas. We support that.

Mr. EMANUEL. The fact is there have been a million additional children in the last year and a half whose parents work full-time who don’t have health care and this would cover. And to the other point you said, actually there have been Democratic and Republican Governors and principally signed by this President where the adults have come from. This President signed those waivers for Democratic and Republican Governors.

Mr. BARTON of Texas. That doesn’t mean that we need to continue those waivers.

With that, I would reserve the balance of my time.

Mr. FALLONE, Madam Speaker. I yield 4 minutes to the gentleman from Connecticut (Mr. MURPHY).

Mr. MURPHY of Connecticut. Madam Speaker, I’m a new Member of this Chamber, and so I don’t know all the history of SCHIP. I don’t know all of the reasons why the bill was written, why it was, the history of negotiations, and with all due respect to my friends who were here, I don’t really care, because what I know is that right now there are millions of children throughout our country who go to bed each night ill, simply because they can’t afford to see a doctor. And let me tell you why I think it’s a good thing that we should wait a couple of weeks in order to take this vote. Because, frankly, I’m a hopeless romantic when it comes to this House, the people’s House’s ability to impose the will of the vast majority of Americans. Call me crazy, but I think that when 80 percent of Americans, as the CBS News poll told us some weeks ago, support advance health care, then maybe, maybe, this House should do something about it. I’m also unapologetically idealistic about our moral obligation as a society and as a Congress, because I know every single one of us, if we were walking down the road and we saw a sick child on the side, we would stop everything we were doing and try to help that child. And I don’t understand why that argument isn’t extrapolated to those children throughout this country who are sick only because they can’t afford health care. We have a moral obligation to help those kids. And we have a fiscal obligation as well, because that system of universal coverage that extends only to people that go to emergency rooms when they get so sick that that’s the only place that they can go, that costs us money. As moral and fiscal custodians of this great Nation, we have a moral obligation to override this President’s veto and to give all the time in the world to your constituents and our constituents to make that case over the next 4 weeks.

Mr. BARTON of Texas. Let me inquire how much time I have remaining, Madam Speaker.

The SPEAKER pro tempore. The gentleman from Texas has 14 minutes remaining.

Mr. BARTON of Texas. I want to yield 4 minutes to a member of the committee and also a member of the ad hoc negotiation team, Mr. WALDEN of Oregon.

Mr. WALDEN of Oregon. Madam Speaker, I think it is important to start by noting there is not, I don’t think, a Member on either side of the aisle that doesn’t support continuing the existing SCHIP program, continuing providing insurance coverage for 4.4 million American children. What we’re debating is how you pay for an expansion beyond that, how you go from 200 percent of poverty level to a family of four that would be at 300 percent of poverty level. For the record, that’s $61,950. Some of us believe that before you expand to 300 percent of poverty, or a family of four making nearly $62,000 a year, we should make sure that those kids who are in families that make enough that they don’t qualify for Medicaid, that those from there on up to 200 or 250 percent of poverty actually are being insured by the States to whom we send this money back to.

There has been discussion that 10 million kids will be covered under the bill that the President vetoed. I wish somebody would give me a Congressional Budget Office summary that says that, because what CBO found when they analyzed this bill was that by 2012 there would be a total of 7.4 million kids insured under SCHIP under the bill we’re debating tonight. If you’ve got a different document from CBO, I’d love see it. I’ve not seen it.

Further, CBO claims that the way this bill is structured, there would be 2 million children in America, 2 million of this 7.4 that either already have health insurance or have access to health insurance through their families or their families’ employers. Two million. This is Congressional Budget Office data.

The effect of the way this bill is structured, those 2 million kids would probably be shifted onto a government plan. We ought to be trying to get kids who don’t have access to health insurance first, and we should be trying to get the kids who are at the lower end of the economic scale insured first. Those are principles that we’re fighting for in this.

Finally, two other points. I don’t think it’s asking too much that when a parent brings in their children and their children don’t have ID, that the parent simply present ID, a driver’s license, something that proves who they are when they certify these are their kids. That’s something we’re asking for.

The third and final point, this program, the way it’s drafted under this legislation, even with the tax that’s proposed, by the next 10 years, the end of 10 years, you have borrowed forward a trillion, with a T, that has been borrowed, and in 2013, the program’s out of money.

Mr. BARTON of Texas. Let me ask one more question.

Mr. EMANUEL. First of all, it wasn’t part of welfare reform. Welfare reform was welfare reform. Welfare reform had a 1-year transitional for Medicaid. It wasn’t part of that, which is a point you make. Second is, SCHIP was so successful, while the rest of the population actually had an increase in uninsured, the only group in America for the last 7 years that had actually a decrease in the children until last year. This is a product of answering the shortcomings between Medicaid and private insurance.

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We have got enough of those Federal programs today. I mean Members on both sides of the aisle would have to agree that we haven’t fixed the Medicare fix yet for docs. Their funding is morally responsible, that can’t sustain a district who can’t get access to a physician.

Why would we enact a program today that we know, based on independent analysis, comes up $80 billion short? You take the money for 10 years and you spend it in the first 5. What happens after that? Isn’t it better to create a program that takes care of kids who are on the lowest end of the economic scale but whose parents make too much to be in Medicaid, make sure they’re covered first, make sure we’re not crowding out people who have access to health insurance for their kids through their employer or some other way, and that they don’t shift to save money for themselves from a government-run program? At the end of the day, I think we all want to take care of kids’ health needs. We want to do it in a responsible way, fiscally responsible, that can sustain so that we don’t end up with kids on a cliff in 5 years because you spent the money that was allocated over 10 in the first 5 because you borrowed. That doesn’t make sense.

Mr. THOMPSON of California (Mr. THOMPSON), a member of the Ways and Means Committee. THOMPSON of California. Madam Speaker, this is about health care for kids. It’s an important and humane bill that’s illustrative of who we are as Americans. It’s paid for, and moreover, it saves us money. It saves us money by keeping kids out of the emergency room, and anytime that you can prevent or cure an illness before it becomes acute, that saves us money as well.

It’s bipartisan, not only in the House and the Senate, but 43 Governors have endorsed this measure. Over 80 percent of the American people support the SCHIP program.
We should not let the President deny health care to 10 million kids of working moms and dads. We’re better than that. We need to override this veto.

Mr. BARTON of Texas. Madam Speaker, I believe we only have two more speakers, so I’m going to reserve my time.

Mr. PALLONE. Madam Speaker, I yield 2 minutes to the gentlewoman from New Hampshire (Ms. SHEA-PORTER).

Ms. SHEA-PORTER. Madam Speaker, a while ago the President of the United States looked out in front of a very elite crowd and said to all of them: Some people call you the elite. I call you my base.

You know, we should have listened a little more carefully because he really wasn’t kidding. They were his base. The President has said “yes” to them ever since. Yes to Big Oil. Yes to Big Pharmacy. Yes to anything they want. Yes to tobacco companies. Yes to their tax cut and to the middle class and no to the poor except for one yes. Yes, you can pay for them.

And so the President of the United States, with his helpers on the other side, have made it extremely difficult for them by taking the middle class and the poor not only to pay for their energy bills, not only to pay for all the other essentials, but now to take their children to the doctor or to the hospital.

What is wrong with us that we are having an argument about whether children should be insured and how many children should be insured?

I’m a former social worker. Everything single day of my life I had stories, tragic stories, stories that should embarrass all of you that you’re standing here fighting against these children, and how hard it was for these families to get their prescriptions, how hard it was for them and how they had to decide exactly at what temperature do you take a child to the doctor, at 101, 102 or 103 degrees, because we don’t have the money, and so we’re not going to take our child to the doctor unless we absolutely must.

And yet we stand here tonight and the President tells us that he is going to not allow this program. Why? Why? Because we put a tax on the tobacco company. Shame on all of us that are standing in the way of the children of this country. There’s just no excuse for it.

And how many children are we talking about? Somebody on the other side said there really aren’t that many children, maybe 1 million. Well, the Congressional Budget Office said to the Senate Finance Committee in July or August that there are about 5 to 6 million children.

The Democrats are dead on target with this, and the American public knows that and stands with us.

Mr. BARTON of Texas. Madam Speaker, I yield a contempt to reserve.

Mr. BECERRA. Madam Speaker, may I inquire as to the time remaining on both sides?

The SPEAKER pro tempore. The gentleman from California (Mr. BECERRA) has 10 1/2 minutes remaining. The gentleman from New Jersey (Mr. PALLONE) has 5 1/2 minutes remaining.

Mr. BECERRA. Madam Speaker, at this time I yield 2 minutes to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Madam Speaker, this issue boils down to a practicality of ideology. The Republicans and the Bush administration has steadfastly and quite honestly do not get it when it comes down to health care, and particularly for those who need the health care the most. This is not just the beginning of this. This argument started back during the winter when there were 17 States who came up short, and we fought and we fought to try to get that shortage fixed. But there was no help until I drafted an amendment, went to the gentleman from Pennsylvania (Mr. MURTZA), and we attached it to the Medicare bill. That is the only way President Bush and the administration signed it.

Now, let me just point out two important points. There are scare tactics being used here. Anytime the Republicans want to take credit for what we want to score a point, they bring up the boogeyman of illegal immigration; these people are going to be illegal aliens. There’s nothing in this bill. As a matter of fact, there’s express language that prohibits in this bill any illegal immigrants from being eligible for this children’s health program.

You talk about there are adults on the bill. There are no adults on this bill except an adult who happens to be pregnant with child for prenatal care. Should they not have that care? That strikes at the heart of this bill. I urge everyone to not go with this argument and let’s sustain and override this veto coming up on Janus.

Mr. BARTON of Texas. Madam Speaker, I yield myself 1 minute.

I appreciate the gentleman that just spoke, but let’s be factually accurate. There are over 600,000 adults under current law on SCHIP right now. They’re not all pregnant women. Now, some of them may be, but not all 600,000, and nothing in this bill moves any adult off SCHIP. Nothing.

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

Mr. PALLONE. Madam Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SESTAK).

Mr. SESTAK. Madam Speaker, when I heard that the President vetoed this bill today, I asked to speak. After about three-and-a-half decades in the U.S. military, I owe both Republicans and Democrats a lot. About 2, 2 1/2 years, little over 2 years ago, my daughter, 4 years old, was struck with malignant brain tumors. I have never had a personal challenge in my entire life, having only gotten married 9 years ago. I’ve had a lot of professional ones, but after three brain operations, chemotherapy and radiation, she’s here today. I thank you all for that because I had the best health care plan in America.

We took a pathology slice at Johns Hopkins, Mass General, and there was a 2% year-old boy the day my daughter started chemotherapy after her brain operations, and for 6 hours my wife and I could not help but overhear, because you all have been in those hospital rooms, social workers come and go to talk to the parents of the young 2%-year-old boy from Washington, DC, who had been diagnosed with acute leukemia that morning, to see whether that young boy could stay and have the same opportunity my daughter had become.

So this is the reason I got into the race for Congress a little less than 2 years ago. I owed you. I owed this Nation. You gave me an opportunity to have my daughter be here today. I don’t want that for the young child. I got in for this bill. While it may not be perfect, neither was TRICARE, and I would just ask everyone to truly think about the opportunity to give our children, every child, this young boy, the same opportunity you gave me and my daughter.

Mr. GARRETT of Georgia. Madam Speaker, I yield 2 1/2 minutes to the distinguished gentleman from the 5th District of the Garden State of New Jersey (Mr. GARRETT).

Mr. GARRETT. Madam Speaker, “I forbid.” The Speaker, Democrat Speaker of the House, came to the floor and gave a translation of the Latin “veto” and explained to us that it means “I forbid.”

I can tell you the only veto that is occurring with regard to children’s health care and care for the indigent poor is occurring here tonight at the hands of the Democrat majority.

The Democrat majority is vetoing. They are saying I forbid to move forward on this legislation. Republicans have expressed the desire to move forward and reached out and said in willingness to work together.

Just a moment ago, a freshman of the Democrat side of the aisle came to that podium and cited a figure that 80 percent of the American public, as he said, quote, wishes to advance children’s health care for indigent poor children. The word “advance” means to move forward.

But Speaker Pelosi came to the floor and said, I forbid. I will veto moving forward tonight. Instead, put it on abeyance, put it on hold and say we have to put it off for another month.

What are they putting off? Well, they are trying to move forward later on on a bill that brings us socialized health care for illegal aliens, for adults, for children, for adults. No one has denied
that it’s for adults. It is for childless couples and, by definition, is not for the poor. It is for middle class because, as we know, the median income in this country is $42,000. This bill will allow people upwards to $62,000 or $70,000 to be eligible for this program. By definition, it will provide for a middle-class program for universal health care.

Now, in conclusion, the Democrat conference leader explains why they are saying that they are forbidding moving forward is very clear. He said, I enjoy politics, and that’s what this bill is all about. It is about politics.

So to those who come to the floor to night from the other side of the aisle and with a heartfelt passion that I believe is in their heart that they wish to move forward on moving advanced care for our children, I would ask your rank-and-file Members of that side of the aisle to talk to your leadership and say, Do not veto this effort. Do not say I forbid moving forward, and allow us to move forward on providing health care for indigent, poor children in this country tonight and vote “no” on this motion.

Mr. BECERRA. Madam Speaker, I yield 1 minute to the majority leader, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Madam Speaker, I thank the gentleman for yielding.

I was not going to participate in this debate, but the gentleman from New Jersey doesn’t fully understand what we’ve been about for the last 2 months. He talked about the rank and file. Mr. DINGELL, the senior Member of this House, myself, Senator BAUCUS, Senator HATCH, Senator GRASSLEY, Members of the rank and file on your side of the aisle who had not voted for this bill and didn’t vote to override the veto. Mr. BARTON was in some of those meetings. Mr. DEAL was in some of those meetings with rank-and-file Members on your side because we felt so strongly we wanted to address some of the issues of concern.

We haven’t gotten there yet, but I want to tell the gentleman, first of all, he says this bill is not for indigent children.

□ 2000

Medicaid is for indigent children. This is for children of hardworking Americans who are not making enough because either their employer doesn’t provide insurance or they can’t afford the insurance to cover their children. We tried very, very hard. I did not hear you and you haven’t been here that long. I understand that, but I defy you to find another instance where that many hours has been put in by such senior Members, including two of the most senior Republicans in the United States Senate who voted for this bill, as did 18 of their colleagues in the United States Senate, and 44 of your colleagues here voted for this bill, and 45 for the previous bill. This is a very significant bipartisan bill.

And this bill responded to some of the concerns raised by the President. You continue to talk about adults. There are parents on here at the State’s choice, as you know. Your State’s choice, as my State’s choice. However, we precluded, as you know, in this bill nonparents, and rather than a 2-year phaseout, we did a 1-year phase-out. We responded to the President’s concern about $83,000. We capped it at $62,000 or $70,000, to $42,000. This bill will allow couples and, by definition, is not for married couples. But it is good, fair effort of negotiations on closing.

Mr. GARRETT of New Jersey. Madam Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New Jersey. Mr. GARRETT of New Jersey. I thank the gentleman.

I appreciate that, and as I said in my remarks, I believe that there is heartfelt desire on the other side of the aisle for providing for, and I may have said in the past, some children in this country. I do honestly believe that, from both sides of the aisle that the goal is the same thing, to try to provide care for that particular class of individuals.

What I disagree with the gentleman with is on a couple points you said. One specifically as far as the issue of a good, fair effort of negotiations on moving forward in this legislation. Mr. HOYER. Reclaiming my time, I suggest that the gentleman refer to Mrs. Biggers whether or not she thought they were good-faith or extensive negotiations and discussions. I yield to my friend. Mr. GARRETT of New Jersey. I thank the gentleman.

Mr. GARRETT of New Jersey. I am informed that our side of the aisle, whether through Mrs. BIGGERT or otherwise, has presented to you or through your staff or otherwise a proposal back on November 15 of five pages of recommendations or suggestions as far as positions that could be reached. If we could move both together. And here we are on December 12 and we have yet to receive a response from that.

Mr. HOYER. Reclaiming my time, and I am not going to get into further debate on this, I refer the gentleman to Senator HATCH and Senator GRASSLEY and ask them whether they thought good-faith negotiations were pursued and whether or not they thought that anything as a matter of fact would in order to accommodate the adding of 4 million children.

Mr. BARTON of Texas. Madam Speaker, what is the order of closing?

The SPEAKER pro tempore. It will be the Members in reverse order: Mr. PALLONE, Mr. BARTON, and Mr. BECERRA.

Mr. BARTON of Texas. I am ready to close after Mr. PALLONE.

Mr. PALLONE. Madam Speaker, I just want to reiterate and contradict some of the things that the President said in his veto message today.

He said that this is the same bill that we sent him that he previously vetoed. It’s simply not true. We made substantial changes to it to allay concerns about higher income families enrolling, adults being enrolled, or even undocumented immigrants being enrolled. I just want to point out some of the flaws with the President’s message in closing.

First, the President says that our goal should be to move kids into private coverage and not into public programs. That is exactly what the CHIP program does. Mr. President, CHIP provides money to states to provide insurance coverage to kids. It’s not socialized medicine, it’s not government-run health care, and the President should know that.

Second, the President says his proposal to reauthorize CHIP would increase funding by 20 percent. What he doesn’t tell you is that his plan would not help provide coverage to the 6 million kids who are uninsured and eligible to enroll in either CHIP or Medicaid. I would point out that the Senate Finance Committee in July received a letter from the CBO where they said that they estimate between 5 million and 6 million children who are uninsured are eligible for Medicaid or SCHIP. So there are a lot of kids out there, almost twice as many that are not covered in the program now, that could be insured.

And then the President said that we add adult coverage. Well, let me say our bill phases out adult coverage faster than the President would do by just disapproving his waiver renewals.

Fourth, the President says we don’t focus on the lowest income kids, and that’s not true. We provide financial resources for States to go out and find the lowest income kids first.

Finally, the President has said he’s been willing to work with us to reauthorize SCHIP, and the Republicans in the House said the same thing. Well, the fact of the matter is that, as our majority leader said, we have reached out. We have had hundreds of hours of meetings. We have reached out to the
President. It’s simply not true that we haven’t reach out, and the fact of the matter is that the President has been unwilling to budge even 1 inch from where he wants to go with the SCHIP legislation. Instead of working with us to provide health insurance to 10 million children, or more, he has said it has no enforcement. It’s a shame that we have come to this position today, and I would urge my colleagues to cast a vote to override the President’s veto.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Mr. BARTON of Texas. Madam Speaker, there’s a great movie from the sixties or maybe the seventies called Cool Hand Luke. Paul Newman is Cool Hand Luke, and he gets imprisoned for some minor infraction and he just doesn’t conform with the regulations of the prison. And finally in exasperation the prison warden is talking to him in front of the chain gang and utters the famous line, “What we have here is a failure to communicate.”

Well, what we have here tonight apparently is another failure to communicate. Some in the House of Representatives want to reauthorize SCHIP. Some of the Republicans in the House of Representatives even want to expand SCHIP. But what we don’t want to do is make SCHIP the surrogate for universal health care for children that are not in low-income or moderate-income families. We don’t want to do that. And the bill before us would do that.

It would cover children up to 300 percent of poverty, explicitly which is above the median income in this country. And it would not have any substantial reform on what are called “income disregards.” An income disregard is, some States have said, well, we’re going to disregard this amount of income or we’re going to disregard that particular expense. So for all practical purposes if a State chooses to disregard income, then there is no cap, and the bill before us doesn’t have reforms in that measure.

The bill before us, in terms of illegal aliens, does have a paragraph that says no illegal alien can receive the benefit. It has that. But it has no enforcement. It’s toothless. It’s like saying don’t go over 55 miles an hour or 60 miles an hour but you don’t have a radar police-man to enforce the speed limit.

So what we are saying and what the President of the United States is saying in his veto message is pretty straightforward. Let’s continue the SCHIP program, but let’s find the children that are below 200 percent of poverty, and let’s get them enrolled in the program and perhaps even go as high as 250 percent or 275 percent. Let’s find some way to have a real enforcement to make sure that SCHIP is for children and for children of citizens. And then let’s find a way to get the adults on the program off the program.

There are millions of adults that cover more adults than children. And, again, my friends on the majority agree that that’s not an appropriate thing, but they don’t do anything in the bill to reform that.

So when my friend from New Jersey, the distinguished subcommittee chairman, talks about there may be as many as 6 million additional children that could be covered, I very carefully listened to what he said, and I would agree with what he said because he used the words “Medicaid” and “SCHIP.” Well there are 25 million children covered under Medicaid right now. There may well be another 5 or 6 million children that are eligible for Medicaid that we need to work with on a bipartisan basis. But according to HHS, there are only 800,000 eligible for SCHIP. Even according to the CBO, there are only an additional maybe 1.3 million that would be eligible for SCHIP under the bill that the majority has put on the floor. So I wish we wouldn’t postpone this veto.

I wish we would go ahead and have the veto override tonight because we will sustain the veto. And then I wish my good friend John Dingell from Michigan and Mr. Ranger, from New York would work with Mr. McCrery and myself and other Members to really come together on a bipartisan basis.

I would like to point out that these negotiations that Mr. HOYER alluded to did, in fact, happen, but those negotiations were not a conference. This bill is not the result of a conference committee between the House and the Senate. The bill before us is the result of negotiations that Mr. HOYER alluded to did, in fact, happen, but those negotiations were not a conference. This bill is not the result of a conference committee between the House and the Senate. The bill before us is the result of negotiations that Mr. HOYER alluded to did, in fact, happen, but those negotiations were not a conference. This bill is not the result of a conference committee between the House and the Senate.

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That’s what we have here is a failure to communicate.
I urge my colleagues to vote today to think about 10 million kids right before Christmas and say to the President, We will override your veto.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to postpone. There was no objection.

The SPEAKER pro tempore. The question is on the motion. The question was taken; and the SPEAKER pro tempore announced that the ayes appeared to have it.

Mr. BARTON of Texas. 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.

Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to postpone will be followed by a 5-minute vote on suspending the rules as ordered by Mr. BARTON on the previous question. Pursuant to clause 2 of rule XX, the duration of the electronic voting will be 1 minute. The yeas and nays were ordered recorded.

The Clerk read the title of the bill.

The SPEAKER pro tempore (during electronic voting). The motion is to suspend the rules and pass the measure. The duration of the vote is 1 minute. The yeas and nays are ordered recorded. Pursuant to clause 2 of rule XX, the duration of the electronic voting will be 1 minute.

The vote was taken by electronic device, and there were—yeas 211, nays 180, not voting 40, as follows:

[Roll No. 1154]

YEAS—211

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Ms. PRYCE of Ohio changed her vote from “nay” to “yea.”

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF MEMBER TO BOARD OF TRUSTEES OF THE CONGRESSIONAL HUNGER FELLOWS PROGRAM

The SPEAKER pro tempore. Pursuant to section 440(h)(2) of the Congressional Hunger Fellows Act of 2002 (2 U.S.C. 1161), and the order of the House of January 4, 2007, the Chair announces the Speaker’s appointment of the following member to the Board of Trustees of the Congressional Hunger Fellows Program for a term of 4 years:

Mr. James P. McGovern, Worcester, Massachusetts

COMMUNICATION FROM THE HONORABLE JOHN A. BOEHNER, MEMBER OF CONGRESS

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

H. RES. 758—APPOINTMENT OF MEMBER TO BOARD OF TRUSTEES OF THE CONGRESSIONAL HUNGER FELLOWS PROGRAM

The Chair announces the Speaker’s appointment of the following member to the Board of Trustees of the Congressional Hunger Fellows Act of 2002 (2 U.S.C. 1161) I am pleased to announce the appointment of the following member to the Board of Trustees of the Congressional Hunger Fellows Program for a term of 4 years:

Mr. James P. McGovern, Worcester, Massachusetts

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 HOSTAGE OF BAGHDAD

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

Mr. POE. Madam Speaker, in the deserts of Iraq a war is going on against the enemies of America. In the heat and dust of the summer of 2005, a young American went to fight, not against al Qaeda, but for her own survival.

She became the “Hostage of Baghdad,” held against her will by villains of the desert, thousands of miles away from home in Texas. This is her story.

Madam Speaker, Jamie Lewis Jones was a 20-year-old woman who worked for Halliburton KBR. She was sent to Iraq as part of her employment. She was sent to Baghdad to help an American organization, ironically, called Camp Hope, in the supposed Green Zone that was supposed to be safe.

After being in Iraq only a few days, she said she was held against her will, drugged, gang-raped by Halliburton KBR firefighters, and the people in charge of her held her hostage in a ship cargo container for 24 hours without any food or water. She became an American hostage, held hostage by fellow Americans.

She convinced one of the people guarding her to let her borrow his cell phone. After obtaining the cell phone, Jamie called her dad in Texas and pleaded for help and begged to be rescued. She was scared; she was hurt; she was a half world away from home, and she was alone.

Jamie’s dad called me because I represent him in Congress. Her father relayed the tragic assault and crime, and of course needed immediate assistance. My staff and I were able to contact the right people in the United States State Department, and within 48 hours two agents from the embassy in Baghdad found and rescued Jamie, made sure she received appropriate medical attention, and brought her home.

Jamie had been seen by Army doctors in Baghdad and had been given, apparently, good medical care while being treated in Baghdad. A forensic sexual assault examination was performed on her. This examination is commonly called a rape kit. Doctors take forensic samples from a sexual assault victim and then they are preserved as evidence for trial in this rape kit.

But, Madam Speaker, for some unknown reason, the Army doctors turned this rape kit over to Jamie’s employer, Halliburton KBR. KBR then lost the rape kit. The rape kit was later found, but it had been tampered with. The photographs are now missing, and the Army doctor’s cover sheet with the medical findings are not there. These are critical for prosecution of the rapists.

But, Madam Speaker, Jamie’s brutal injuries were severe. She has had to have reconstructive surgery because of the extent of these injuries by these rapists in Iraq. Once she was home, we pressured the State Department to find out who these villains of Baghdad were, where they are, and why they have not been prosecuted. After so much time, there is little progress on the investigation. We need to know also if KBR had knowledge of the crime and if they are involved to any extent.

Madam Speaker, Jamie has decided to go public with her case. This case, like all such cases, remains confidential in our congressional offices.
TRIBUTE TO SYLVIA PRESSLEY WOODS

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

Mr. CLYBURN. Madam Speaker, I rise today to honor one of South Carolina’s own, Sylvia Pressley Woods, affectionately known as the Queen of Soul Food. In August of 1962, Sylvia put her charismatic personality to the test by purchasing a restaurant, which at the time was only a small luncheonette, from her boss.

Almost 50 years later, Sylvia’s, as it is named, has become a landmark at 126th Street and Lenox Avenue, and a place where everyone knows they can get a taste of authentic southern soul food cuisine. The restaurant also serves to remind the community’s residents that hard work, determination, and love of family can lead to success.

Madam Speaker, Woods herself has a remarkable story that encapsulates the history of the 20th century African-American history. She was born Sylvia Pressley on February 2, 1926, in Hemingway, South Carolina, a small rural town which I proudly represent in this August body. On December 22, next year, many of her friends will gather in South Carolina, to celebrate the holidays with Sylvia. Tonight, I am being joined by members of the New York delegation in honoring a loving mother, an astute restaurateur, an enterprising businesswoman, and an outstanding South Carolinian, Mrs. Sylvia Pressley Woods.

With that, Madam Speaker, I would like to yield to the dean of the New York delegation, the Honorable Charles Rangel.

Mr. RANGEL. Madam Speaker, a special thanks to Jim Clyburn, our Whip and leader, for reaching back to pay tribute to an American that so often people forget what one can accomplish in this great country if they are willing to work hard.

You know, Mr. CLYBURN, I knew the world famous owner of Sylvia’s when she was a waitress at a restaurant just down the street. She came to own it and she and her husband came together and went to South Carolina, two friends, in order to get the money necessary for her to start her own future. Mr. Woods, and we just lose him a few years back, would be up at 3 and 4 o’clock in the morning with that truck, going to the produce markets, picking the best vegetables, and then she would have her children and now her grandchildren, all a part of this wonderful family, and now that she’s reached the age of 90, she’s sold in supermarkets and throughout the world and that she has acclaimed a great deal of attention from tourists all over the world as these tourist buses are lined up, it doesn’t surprise anybody to see Sylvia there asking these customers that she probably will never see again in life, How did you enjoy the meal and what can we do to help?

So let me thank you on behalf of all of Harlemites, even Congressman Gregory Meeeks from the borough of Queens, who has to admit that coming from Harlem means a special thing to us, because he was one of us before he lost his way. And so when I heard that you were doing this on behalf of Harlem, who cherishes the rise of Sylvia’s late husband, her children and her wonderful grandchildren, who still bring people from all over the world into the village of Harlem, let me thank you, Jim Clyburn, for reminding us that we can all be heroes and sheroes in our country, and they deserve what you’re doing for them in South Carolina. I thank you.

Mr. CLYBURN. Madam Speaker, I would like to now yield to one who has lost his way and will red, the Honorable Gregory Meeeks from the Sixth District of New York.

Mr. MEEKS of New York. Thank you, Mr. Whip, and I thank you also for bringing this recognition to Sylvia; because as a former Harlemite, I can recall going to Sylvia’s. It was a place that brought families together. I can recall my parents bringing me to Sylvia’s to have a family dinner or having parties and it brought people together and it made us proud because it did say just what the chairman said, talking about African Americans owning their own business and feeding the masses as she did. And it was affordable.

So it was a family place. And, for me, I can remember those breakfasts. Those grits and salmon cakes were just delicious and fantastic. As I am here now standing and looking, and we are talking about the trade deficit that we see in the United States, you talk about reducing the trade deficit for the United States? Sylvia is helping to reduce the trade deficit as she now cans her food and sends it all across the world so they all can enjoy their famous food.

Thank you for honoring Sylvia Woods today because she is truly a shero, one that I can recall as a young child looking up to and saying that that day that we could be prosperous like the United States. I can never forget her roots and where we come from.

Mr. CLYBURN. Thank you, Mr. Meeeks.

Let me close my 5 minutes, Madam Speaker, by reiterating something that I think all of us ought to think about. Sylvia Pressley Woods’ father died when she was 3 days old. He died from the effects of chemical weapons that he had encountered in World War I. Her mother had a small restaurant that she picked their food up in the trunk of a car. She purchased the original luncheonette by borrowing $20,000 from her mother who had to mortgage her farm in Hemingway, SC.

The establishment, which consists of not only the restaurant but catering and banquet facilities, was started in July of 1962. Back then the owner offered to sell her the business.

Sylvia Woods worked at Johnson’s Luncheonette as a waitress. Her opportunity came when the owner offered to sell her the business. She purchased the original luncheonette by borrowing $20,000 from her mother who had to mortgage her farm in Hemingway, SC. The establishment, which consists of not only the restaurant but catering and banquet facilities, was started in July of 1962. Back then the owner offered to sell her the business.
In 1981, they bought an adjoining building on Lenox Avenue, renovated it and turned it into a dining room. In 1992, Sylvia’s son, Van Woods, launched a line of Sylvia’s Soul Food Products. The line consists of Sylvia’s world-famous all-purpose sauces, pre-seasoned vegetables, spices, syrup, cornbread, pancake mixes, and several other items that can be found on the shelves at any grocery store.

With the help of some great investors, Sylvia’s was able to open its second restaurant in Atlanta, Georgia in 1997. Sylvia’s of Atlanta is located right across from City Hall. Plans are in the works to open additional Sylvia’s restaurants in Texas, Kansas, Illinois, California, South Carolina, and Paris, France.

This well-known restaurant attracts a clientele that ranges from Harlem locals to visiting celebrities including President Bill Clinton, Nelson Mandela, and Magic Johnson.

However, Sylvia’s success is not based solely on her restaurants and food product line. Recently, the family launched a line of beauty products for hair and skin. Sylvia’s beauty products consist of two brands: Sylvia’s Beauty and Soul Products; and African Vision Products.

Sylvia and her husband Herbert will tell you the secret of their success is love, family and hard work, love of God, love of family, love of friends, customers, and love of work.

Sylvia and Herbert met in a bean field when they were 11 and 12 years old, respectively. They attended the same school and church and have now been married for nearly 65 years.

I would like to honor Sylvia’s Soul Food Restaurant where I have eaten on many occasions and where I plan to eat again.

GENERAL LEAVE

Mr. TOWNS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the subject matter of Mr. CLYBURN’s Special Order.

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

There was no objection.

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

Mr. ALLEN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

THANKING MR. BEN SOLOMON FOR HIS SERVICE TO THE HOUSE

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

Mr. LAHOOD. Madam Speaker, I rise today on behalf of a grateful House to say farewell to Ben Solomon. Ben is the manager of the Longworth convenience store, and we want to thank him for his 4 years of outstanding service to the United States House of Representatives.

Employed for over 19 years by Guest Services, Incorporated, Ben’s assignment to run the Longworth convenience store began on December 15, 2003. Since that time, he has endeared himself to Members, House staff, and visitors.

Ben has been nicknamed Mr. Mayor of Longworth Main Street because of his unwavering commitment to serve the needs of every customer to the fullest extent possible no matter who they are or their political affiliation. To Ben, all politics was local. He always greeted every customer warmly with his ever present smile and a kind word. Most of the 1,000 or so customers who pass through the store daily are greeted by name. His positive outlook never fails to make even strangers feel welcome.

Ben can be proud of the level of service he provided to his customers each and every day. He viewed his work as a sacred duty, and felt no job was too small for him to do. He could be seen in the hallway working alongside his employees unpacking boxes of merchandise. At the same time, Ben would take the time to pause and say hello to any number of many familiar customers as they passed by the store. Ben brought a unique brand of sincerity and dedication to his job every single day. It is marvelous to look at each nook and cranny of the store shelves at the many unique and interesting things Ben would stock because one of his customers asked for it at an earlier visit.

On behalf of the entire House community, we bid a fond farewell to our friend, Ben Solomon, and extend our deepest appreciation for his dedication and outstanding contributions to the House of Representatives. We wish him well. We wish him success in his future endeavors. He will sincerely be missed by all.

We are also grateful to all those who serve in this great House, service to many of us in so many different ways, and especially honor Ben this evening.

LEE’S SUMMIT WEST HIGH SCHOOL

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

Mr. CLEAVER. Madam Speaker, normally we come to this floor to debate, and quite often in our Special Orders we have the opportunity to speak in positive tones about positive things that are going on in our district or in our country or in our world.

I am very proud to represent Missouri’s Fifth Congressional District. It is the district that encompasses Independence, Missouri, and the home of Harry Truman. In this Fifth District, I am proud that the fastest growing city in the State of Missouri is not the two largest cities, Kansas City being the largest, St. Louis being the second largest, but it is a city that many people have not even heard of. It is called Lee’s Summit.

Lee’s Summit, Missouri is exploding with growth. Its mayor, Karen Messerli, is doing a fantastic job. The downtown area is being redeveloped. The area is not what it was. The city is transforming. I want to thank all those who have been helpful in my efforts to open this floor so that I can make a statement this evening is Lee’s Summit West High School.

Madam Speaker, this high school has achieved something that I don’t believe can be matched by any other congressional district. So far this year, from September to December, they have won three State 4A championships. The girls volleyball team won the State championship coached by Mark Rice. The girls cross country won the 4A State championship coached by Dave Denny. And then, just recently the Titans football team coached by Royce Boehm won the 4A Missouri State championship and went through the entire season undefeated.

I was listening to Judge Poe earlier talk about some tragedies in Iraq. And I sat here, and it caused me to tremble to think about what that young woman must have gone through; and it also caused me to renew my commitment to focus on the positive attributes of our young people. If you visit Lee’s Summit High School, which has been in existence only 4 years, 4 years, and it has already become one of the most prominent schools in the Midwest, not just for athletics, but because this school is well organized. Their population, 1,300 students, is constantly growing. The principal of that school, Cindy Bateman, is doing a fabulous job. They are achieving academically. And I am so proud to be able to stand on this floor tonight and speak without qualification about how fabulously this school is performing.

Most of the time, girls’ athletics are ignored. And so in the Missouri 4A volleyball championship, probably there are people even around in Lee’s Summit who are unaware of the fact that that State championship has been won. The cross country club normally would be ignored, but they have achieved something positive. They brought some positive attention to that school.

So, on this night, I would not only like to lift them up and express how proud I am to represent that particular area, but I would also encourage any Member of the United States
Congress who serves a district where a school has won three State championships thus far this year to let me know it, and I will give them a huge box of Gates barbecue. Kansas City, of course, is the barbecue capital of the galaxy, and I will gladly bring that barbecue in from Gates Barbecue in Kansas City. But I am not even worried, because I am absolutely certain that there is no school in the United States that has won three State championships in 4 months.

I know that there are other people who are proud of their districts, and I am pleased that they are proud of their district, they are proud of their schools. And some people stand up and brag about their districts, and some people are actually telling the truth. But I want to go on record tonight as saying that the entire country can be proud of what has happened in this community, because the entire community has rallied to build this magnificent physical structure that is the school, and I appreciate very much the opportunity to share this with the Congress.

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.)

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

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

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

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

The 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.)

DIRECT SPENDING LEGISLATION—AUTHORIZING COMMITTEE 302(a) ALLOCATIONS FOR RESOLUTION CHANGES

(Fiscal Years, in millions of dollars)

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<tr>
<td>Outlays</td>
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<td>2,351,954</td>
<td>300</td>
<td>300</td>
<td>4,200</td>
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<tr>
<td>Revenues</td>
<td>1,900,340</td>
<td>2,015,841</td>
<td>4,137,671</td>
<td>4,137,671</td>
<td>4,200</td>
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COMMITTEE ADJUSTMENTS

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

Mr. SPRATT. Madam Speaker, under section 310 of S. Con. Res. 21, the Concurrent Resolution on the Budget for fiscal year 2008, I hereby submit for printing in the CONGRESSIONAL RECORD a revision to the budget allocations and aggregates for certain House committees for fiscal year 2008 and the period of 2008 through 2012. This revision represents an adjustment to certain House committee budget allocation and aggregates for the purposes of sections 302 and 311 of the Congressional Budget Act of 1974, as amended, and in response to H.R. 4299 (Terrorism Risk Insurance Program Reauthorization Act of 2007), which was made in order by the Committee on Rules. Corresponding tables are attached.

Under section 211 of S. Con. Res. 21, this adjustment to the budget allocations and aggregates applies while the measure is under consideration. The adjustments will take effect upon enactment of the measure. For purposes of the Congressional Budget Act of 1974, as amended, a revised allocation made under section 211 of S. Con. Res. 21 is to be considered as an allocation included in the resolution.

BUDGET AGGREGATES

(On-budget amounts, in millions of dollars)

<table>
<thead>
<tr>
<th>Fiscal years</th>
<th>2007</th>
<th>2008</th>
<th>2008–2012 Total</th>
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<tr>
<td>Budget Authority</td>
<td>2,250,680</td>
<td>2,250,996</td>
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<tr>
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<td>1,900,340</td>
<td>2,015,841</td>
<td>4,137,671</td>
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3 Pending action by the House Appropriations Committee on spending covered by section 207(d)(1)(E) (overseas deployments and related activities), resolution assumptions are not included in the current aggregates.

4 Excludes emergency amounts exempt from enforcement in the budget resolution.

5 Not applicable because annual appropriations Acts for fiscal years 2009 through 2012 will not be considered until future sessions of Congress.

Under section 211 of S. Con. Res. 21, this adjustment to the budget allocations and aggregates applies while the measure is under consideration. The adjustments will take effect upon enactment of the measure. For purposes of the Congressional Budget Act of 1974, as amended, a revised allocation made under section 211 of S. Con. Res. 21 is to be considered as an allocation included in the resolution.

The Budget for fiscal year 2008, I hereby submit for printing in the CONGRESSIONAL RECORD a revision to the budget allocations and aggregates for certain House committees for fiscal year 2008 and the period of 2008 through 2012. This revision represents an adjustment to certain House committee budget allocation and aggregates for the purposes of sections 302 and 311 of the Congressional Budget Act of 1974, as amended, and in response to H.R. 4299 (Terrorism Risk Insurance Program Reauthorization Act of 2007), which was made in order by the Committee on Rules. Corresponding tables are attached.

Under section 211 of S. Con. Res. 21, this adjustment to the budget allocations and aggregates applies while the measure is under consideration. The adjustments will take effect upon enactment of the measure. For purposes of the Congressional Budget Act of 1974, as amended, a revised allocation made under section 211 of S. Con. Res. 21 is to be considered as an allocation included in the resolution.
Madam Speaker, also under section 303(b) of S. Con. Res. 21, the Concurrent Resolution on the Budget for fiscal year 2008, I hereby submit for printing in the CONGRESSIONAL RECORD a revision to the budget allocations and aggregates for certain House committees for fiscal year 2008 and the period of 2008 through 2012. This revision represents an adjustment to certain House committee budget allocation and aggregates for the purposes of sections 302 and 311 of the Congressional Budget Act of 1974, as amended, and in response to H.R. 4351 (AMT Relief Act of 2007), which was made in order by the Committee on Rules. Corresponding tables are attached.

Under section 211 of S. Con. Res. 21, this adjustment to the budget allocations and aggregates applies while the measure is under consideration. The adjustments will take effect upon enactment of the measure. For purposes of the Congressional Budget Act of 1974, as amended, a revised allocation made under section 211 of S. Con. Res. 21 is to be considered as an allocation included in the resolution.

BUDGET AGGREGATES

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<th>2008</th>
<th>2008-2012 Total</th>
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<tr>
<td>Current Aggregates</td>
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<td>(3)</td>
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<tr>
<td>Outlays</td>
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<td>2,354,019</td>
<td>(3)</td>
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<td>2,914</td>
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1 Pending action by the House Appropriations Committee on spending covered by section 307(b)(1)(E) (emergency amounts exempt from enforcement in the budget resolution).

2 Not applicable because annual appropriations Acts for fiscal years 2009 through 2012 will not be considered until future sessions of Congress.

3 Not applicable because annual appropriations Acts for fiscal years 2009 through 2012 will be considered until future sessions of Congress.

DIRECT SPENDING LEGISLATION—AUTHORIZING COMMITTEE 302(a) ALLOCATIONS FOR RESOLUTION CHANGES

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<td>(3)</td>
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</tbody>
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4351)

Relief Act (H.R. 4511)

BUDGET AGGREGATES—Continued

215

SUPPORT FOR THE INDEPENDENCE OF KOSOVO

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

Mr. ENGEL. Madam Speaker, I rise today to once again express my support for the independence of Kosovo, which is a nation in the Balkans, 90 percent ethnic Albanian country that has struggled a great deal and is now on the verge of independence.

I would like to put a little history in perspective. The former Yugoslavia has broken up, and much of the components of the former Yugoslavia have become independent nations. I have long argued that so, too, the people of Kosovo deserve to be an independent country.

There have recently been negotiations in which the United States and the European Union, and other freedom-loving countries should recognize the new nation of Kosovo. There is a plan called the Atasari plan which was put together by the Scandinavian diplomat that has been blocked in the United Nations because of Russian threats and intrusiveness. The Atasari plan, which grants supervised independence to Kosovo, should be immediately implemented.

And when the people of Kosovo declare their independence, that Atasari plan should be implemented again with the European Union and the United States recognizing the newly formed nation.

This should come soon after the first of the year, perhaps a few weeks or months into the new year, and I intend to be in Pristina, the capital of Kosovo, when independence is finally declared and accepted.

I rise because I think that the United States plays a vital role and does play and has played a vital role, and the people of Kosovo trust the United States to be there and be their friends. I want to say to the people of Kosovo that the United States has always been your friend and will continue to be your friend.

The long and troubled history of the Balkans we all know; wars started there, world wars started there, and I think perhaps a little history to where we got to where we are now.

But the time for that is over. The people of Kosovo need to know that there is a future and they need to know that they, like other peoples in the world, can lead their own nation to freedom and democracy.
The members of 1995’s new Republican majority were Ronald Reagan’s political children. From President Reagan, Republican congressional revolutionaries inherited a philosophy of politics as the art of the possible: Co- 
gently expressing conservative intellectuals ranging from Edmund Burke to Russell Kirk, this philosophy’s central tenet held:

Men and women are transcendent children of God endowed by their Cre- 
ator with inalienable rights. Government was instituted to defend citizens’ inalienable rights and facilitate citizens’ pursuit of the good and of 
true happiness.

Over the generations, Divine Prov- 
dence has established and revealed 
through tradition prescriptive rights 
and custom within communities how 
order, justice, and freedom, each essen-
tial, coequal and mutually reinforcing, 
for humanity to pursue the good and true 
happiness.

Finally, human happiness is endan-
ergized by every political ideology, for 
each is premised upon abstract ideas; 
each claims a superior insight into 
human nature not revealed through 
historical experience; each professes 
a secular utopia unobtainable by an 
imperfect humanity; and, each demands 
an omnipotent, centralized government 
to forcefully impose its vision upon an 
“enlightened” and unwilling popu-
lation.

This is the political philosophy and 
resulting public policies a once-impov-
erished young country from Dixon, Illinois, Ronald Reagan, engagingly articulated 
to America throughout his Presidency 
in the 1980s. By 1994, the American peo-
ples, who have taken Ronald Reagan at 
Russell Kirk’s word that “conserv-
avism is the negation of ideology,” and 
remembering its beneficent impact 
on their daily lives, yearned for its 
return. For self-described congress-
sional Republican revolutionaries, this 
formed fertile electoral ground, one 
shaped as well, it must be admitted, by 
the lackluster result was one of the 
Beetles’ few failed artistic ventures.

Similarly, congressional Republicans’ “Contract with America” was a collection of specific policy proposals and concrete grievances against the in-
cumbent Democratic President and his 
legislative allies. It possessed merely 
an implicit philosophy, one obviously 
reflecting back to Reagan’s less than 
Sergeant Pepper, the individual 
tracks of which have mostly stood the 
test of time, today many of the Con-
tract’s specific proposals sound dated. 
But like Sergeant Pepper, what en-
dures about the contract is the fact 
that it was marketed as a revolu-
tionary concept in governance. Of 
course, it is not. The contract was a 
suitable period piece which served its 
purpose—the election of congressional 
Republicans in sufficient numbers to 
attain our party’s first majority in 40 
years. Nevertheless the contract’s lack of 
clairvoyance and ability to accurately 
philosophically sow the seeds of the subsequent 
Republican devolution.

Therefore, if the current Republican 
minority buys into the myth and makes the contract the basis of a de-
Rivative “concept” agenda, the GOP 
will be condemned to another 40-year 
Magical Mystery Tour through the po-
litic freedom.

This is not to say the members of 
1995’s new Republican majority lacked 
a political philosophy or immutable 
principles. Quite the contrary: These 
Members were steeped in the Reagan 
tradition. But after an initial rush of 
laudable accomplishments, the Mem-
bers found themselves trapped by the 
contract’s inherent pragmatism and 
populist populism. A mythical 
anchor in the contract, Members drift-
ed into the grind of governance, which 
distorted Reagan’s philosophical prin-
ciples for public policy into nonbinding
In fairness, even without the Cashocrats’ incessant inducements, blandishments and bullying, the majority of GOP members truly did feel they werephanied fu the constituents. This belief was insistently sustained by the Cashocrats grafting their pragmatic corporatism onto the philosophy of economic determinism. It was not an unforeseeable development. Akin to their conservative brethren, the fall of the Soviet Union proclaimed the “End of History.” House Republicans convinced themselves the ideology of democratic capitalism was an unstoppable determinist force predestined to conquer the world; and on their part, they viewed their job as hastening its triumph and preparing Americans to cope with its consequences. Combined with the Cashocracy’s insatiable need of corporate contributions for its sustenance, this avaricious democratic capitalism reveals how the Republican House majority helped President Clinton (whom they had unknowingly come to emulate and likely loathe ever more because of it) grant the permanent normalization of trade relations to Communist China. With the enactment of this legislation, the Cashocracy reached its political zenith and moral nadir; for it did not shape globalization to suit Americans’ interests; it had shaped Americans’ interests to suit globalization.

The handsome rewards for such “courageous” legislation fueled the Cashocracy’s third vice, avarice. The process was both seductive and simple, especially in a materialistic town for taking the qualitative measurement of virtue for the quantitative measurement of money. While this temptation is to be expected in a city where politicians “prove” their moral superiority by having more cash on hand than their predecessors as a mandate for their own finitely posited conservatism. In its first 2 years in control of the House, this led the majority’s leaders to erroneously conclude it could govern as a parliament rather than as a congressional equivalent in power for the executive branch; and they over-reached on key issues, most notably in the shutdown of the United States Government over the issue of spending. Artfully framed by President Clinton’s smooth-talking presiding over an irresponsible Republican ideological attack on good government, this monstrous public partisan carnage was due to Clinton (whom they had unknowingly courted with being principled) in 1995. Obviously, the cashocracy’s cardinal vice was its conviction to survive for its own sake. Curiously, this was not the height of arrogance; it was the height of insecurity. Aware it stood for nothing but election, the cashocracy knew anything could topple it. This blind belief in a self-perpetuating, polity-driven cashocrats to grope for ephemeral popularity by abandoning immutable principles. Materialistic to their core and devoid of empathy, the cashocrats routinely ignored the centrality to governmental policies of transcendent human beings.

This cashocracy’s first cardinal error facilitated its second: Pragmatic corporatism. Enconced in insular power, the cashocrats lived the lives of the rich and famous, despite their muddled personal means, due to their newfound friends in the corporate and lobbying community. Cut off from Main Street, these cashocrats embraced K Street. The desire was mutual, and the corporatist echo chamber embraced the cashocrats. Their split was mutual, and the corporatist echo chamber embraced the cashocrats. The cashocracy dropped them into legislation, oftentimes without the knowledge of or the appropriate review by their peers. The passage of policy bills, too, increasingly mirrored the earmark process, as the by-product of interest provisions were slipped into the dimmer recesses of bills in the dead of night. The outcome of this fiscal chicanery was an escalation of the K-Street contributions the Cashocracy required to attain its aim of perpetuating itself in power; and of the illeagle perks required to sate the more venal tastes of some morally challenged members who are now paying their debts to society.

Cumulatively, in addition to rendering it morally bankrupt, these three vices left the Cashocracy intellectually impotent. Tellingly, within this less than noble and manifest casuistry system of earmarks and contributions, the Cashocrats greased the skids for their legislative “favors” by relegating the majority’s younger Members to voting rather than legislating; ignoring their Members’ virtues, ideals and talents; measuring these Members by the quantitative standard of how much money they raised; and, thereby, condemning these Members to the status of highly paid telemarketers. Having squared this infusion of youthful energy and insight, the Cashocrats hailed the election of Republican President George W. Bush and handed him the Nation’s legislative agenda. At first, the Cashocrats’ subordination of their separate, equal branch of government to the executive branch bore dividends. But by 2006, when the failures of the Iraq war’s reconstruction policy and Hurricane Katrina’s emergency relief torpedoed Bush’s popularity, the latent danger to the Cashocrats of hitching their SUVs to the executive branch became evident. Precluded from tying its vicarious popularity to Bush’s coat tails, the Cashocracy teetered beneath the gale

Once
force invective of the Democrats’ campaign mantra the Congressional Republican majority was a “culture of corruption” slotfully fully content to rubber stamp the failed policies of an unpopular President. Panic stricken, the timidity tone-deaf Cashocrats urged GOP members to tout their party’s “robust economy” and attack Democrats on national security issues. The innately materialist economic argument was doomed to fail because the “robust” economy was not to be found in regions like the Northeast and Midwest. The latter argument proved unconvincing to an electorate convinced Iraq and New Orleans were GOP national security flascoes. And, finally, nothing could persuade an outraged electorate to return a Republican majority which, in the interests of perpetuating itself in power, failed to protect House pages from predatory Members of Congress.

By election day the public had concluded the Republican majority cared more about corporations than Americans; and when the tsunami hit, the Cashocracy crumbled upon many now former GOP members who became the last, blameless victims of its stolid cupidity.

In hindsight, the Cashocracy would best have heeded President Theodore Roosevelt’s warning: “The things that will destroy America are prosperity at any price, peace at any price, safety first instead of duty first, the love of money above the love of principle, avarice and profligacy, and the get rich quick theory of life.”

Straggling back to Washington for the Republican revolution’s death vigil, the 2006 election’s surviving GOP members bid anguished goodbyes to defeated friends and struggled to make sense of it all. Dazed and confused, some Members managed to grasp the reality of their newly minted minority, while some still grapple with it. Out of this still distillate emerged concerning how House Republicans can revitalize and redeem themselves in the estimation of their fellow Americans.

“Restoration Republicans” are best considered Reagan’s grandchildren. Like their Reagan-Democratic parents, Restoration Republicans were attracted to our party by the intellectual, cultural, and moral components and proven practical benefits of philosophical conservatism. Transcending the rhetoric and political cant, these Restoration Republicans are devoted to restoring the human soul’s centrality to public policy decisions; and focusing these policies on preserving and perpetuating the permanent things of our existence, earthly existence which surpass all politics in importance.

The enduring ideals of Restoration Republicans are succinctly enumerated by Russell Kirk in his book, The Politics of Prudence:

One, conservatives believe that there exists an enduring moral order. Two, conservatives adhere to custom, convention and continuity. Three, conservatives believe in what may be called the principle of prescription, that is, of things established by immutable usage. Four, conservatives are guided by the principle of prudence. Five, conservatives pay attention to the principle of variety. Six, conservatives are chastened by the principle of imperfection. Seven, conservatives are persuaded that freedom and property are closely linked. Eight, conservatives uphold voluntary community, quite unlike the opposite involuntarily collectivism. Nine, the conservative perceives the need for prudent restraints upon power and upon human passion. And finally, 10, the thinking conservative understands that permanence and change must be recognized and reconciled in a vigorous society.

Given how the Cashocracy repeatedly violated these principles during its descent into oblivion, and how the Democrats’ 2006 rallying cry was “change,” it is indeed contempt. For to understand it fully is to fully understand why Restoration Republicans, who are convinced we live amidst a crucible of liberty, proclaim our minority must emulate and implement the philosophical conservatism of Theodore Roosevelt in the cause of empowering Americans and strengthening their eternal institutions of faith, family, community and country. Again, I quote from Kirk: “Therefore, theSphere of Progress exists to reconcile the claims of permanence and the claims of progress. He or she thinks that the liberal and the radical, blind to the just claims of permanence, would endanger the heritage bequeathed to us, in an endeavor to hurry us into some dubious terrestrial paradise. The conservative, in short, favors reasoned and tempered progress. He or she is opposed to the cult of progress whose votaries believe that everything new is necessarily superior to everything old.

“Change is essential to the body social, the conservative reasons, just as it is essential to the human body. A body that has ceased to renew itself has begun to die. But if that body is to be vigorous, the change must occur in a regular manner, harmonizing with the form and nature of that body; otherwise change produces a monstrous growth, a cancer, which devours its own vitality and renders nothing in a society should ever be wholly old and that nothing should ever be wholly new. This is the means of the conservation of a nation, quite as it is the means of conservation of a living organism. Just how much change a society requires and what sort of change depend upon the circumstances of an age and a nation.”

Kirk’s words compelled Restoration Republicans to empathetically assess our Nation’s age and circumstances, and the posture, direction and scope of the changes our American community requires. In making these determinations, Restoration Republicans draw parallels between, and inspiration from, America’s greatest generation. Our greatest generation faced and surmounted a quartet of generational challenges born of industrialization: Economic, social and political upheavals; a Second World War against abject evil; the rise of the Communist Chinese super-state as a strategic threat and rival model of governance; and the civil rights movement’s moral struggle to equally ensure the God-given and constitutionally recognized rights of all Americans.

Today, our generation of Americans must confront and transcend a quartet of generational challenges born of globalization: Economic, social and political upheavals; a third world war against abject evil; the rise of the Communist Chinese super-state as a strategic threat and rival model of governance; and moral relativism’s erosion of our Nation’s foundational, self-evident truths.

The critical difference between the challenges conquered by the greatest generation and the challenges confronting our generation of Americans is this: They faced their challenges consecutively; we face our challenges simultaneously.

In response to these generational challenges to our free republic, Restoration Republicans have drawn upon the roots of their philosophical conservatism to affirm the truth America exists to inspire the world, and to advance the policy paradigm of American excellence, which rests upon a foundation of liberty, and the four cornerstones of sovereignty, security, prosperity and verities.

Individually and collectively, American excellence’s foundation and four cornerstones are reinforced by these policy principals: Our liberty is granted not by the pen of a government bu-
Americans' feelings of powerlessness in the face of economic, social and political forces radically altering or terminating their traditional, typically agrarian lives. Writing years later in his book A Humane Economy, the economist Willem Ropke examined the effects these forces took on the individual, life, the social. Engaging in his book A Humane Economy, the voluntary and virtuous individual, familial, and communal associations which invigorate and instruct a free people conquering challenges. In individual, and, inherently unaccountable government suffocates liberty, order and justice by smothering and severing citizens' voluntary bonds within mediating, nongovernmental institutions, and so doing, stifles our free people's individual and collective solutions to challenges. In consequence, the temptation for more centralized government must be fought to prevent turning sovereign Americans from the masters of their destiny into the serfs of government.

Fully versed in this verity, restoration Republicans have made their decision: power to the people. Thus, in this age of globalization, restoration Republicans vow to empower the sovereign American citizens, and promote their God-given and constitutionally recognized and protected rights; promote the decentralization of Federal Governmental powers to the American people or to their most appropriate and closest unit of government; defend Americans' enduring moral order of faith, family, and community and country from all enemies; foster a dynamic market economy of entrepreneurial opportunity for all Americans; and honor and nurture a humanity of scale in Americans' relations and endeavors.

Further, while these restoration Republicans will be releasing a more detailed program in the future, the above will form the basis of any concrete proposals brought forth.

Madam Speaker, my constituents are honest, hard-working and intelligent people who are bearing the brunt of the generational challenges facing our Nation. They have lost manufacturing and every manner of jobs due to globalization and, especially, the predatory trade practices of Communist China. Throughout these economically anxious times, they spend sleepless nights wondering if they will be able to keep their jobs, their houses, their health care, their hopes for their children.

In the war for freedom, they have buried, mourned and honored their loved ones and have battled against our Nation and all of civilization's barbaric enemies. And every day, they struggle to make sense of an increasingly perverse culture that's disdainful of and destructive to faith, truths and beauty, if the existence of these permanent truths were not worth fighting for.

True, my constituents differ on specific solutions to their pressing problems, but they do agree Washington isn't serving their concerns. They agree this storied representative institution is increasingly detached from the daily realities of their lives. And they remind me that when we enter this House, their House, we enter as guests who must honor the leap of faith they took in us and allowing us to serve them.

With my constituents, I utterly agree. While it is not my purpose here to discuss the majority party, let me be clear as to my own. House Republicans have no business in the business as usual. My constituents, our country and this Congress deserve better, and we will provide it.

Our Republican minority has Members who know America isn't an economy; America is a country. Our Republican minority has Members who know the only thing worth measuring in money is greed. Our Republican minority has Members with the heart to put individuals ahead of abstractions, people ahead of politics, and souls ahead of systems. Our Republican minority has Members who have seen sorrow seep down a widow's cheek and joy shine from a child's eye.

Yes, Madam Speaker, my Republican minority has Members who know our deeds on behalf of our sovereign constituents must accord with Wordsworth's poetic prayer: "And then a wish: my best and favored aspiration mounts with yearning for some higher song of philosophic truth which cherishes our daily lives.

It is these Republicans whose service in this Congress will redeem our party by honoring the sacred trust of the majestic American people who, in their virtuous genius, will transcend these transformational times and strengthen our exceptional Nation's revolutionary experiment in human freedom.

With these Republicans, I hereby throw in my lot and pledge my best efforts on behalf of my constituents and country.

May God continue to grace, guard, guide and bless our community of destiny, the United States of America.

HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Texas (Mr. BURGESS) is recognized for 60 minutes.

Mr. BURGESS. Madam Speaker, I come to the floor tonight to talk, as I often do, a little bit about health care, the state of health care in this country, where we are, where we've been, where we're going.

Tonight, I do want to focus on one particular issue that is before this Congress. It's a critical issue facing our doctors in this country who provide care for Medicare patients, because if this Congress does not act before midnight December 31, those physicians are facing a rather significant reimbursement reduction, and that would have an adverse affect on their ability
to see patients, to care for patients and, indeed, would have an adverse effect upon access.

So I do want to spend some time talking about that, why that is the case and what we in this Congress can do about it and what we need to do about it. And again, what we need to do about it because that action has to take place prior to December 31 of this year. It’s not something we can punt into next year and then come back and try to collect our thoughts and make another run at it. We have to fix it with some time we have remaining in this first half of this Congress.

Another issue that I want to address is the issue of the physicians workforce. Of course, the Medicare reimbursement rates directly affect the physician workforce, but we can’t forget physicians who are at the very beginning of their training, physicians in residency, and we certainly can’t forget those individuals who might even be contemplating a career in health care now because we can help them make the correct decisions.

I do want to talk a little bit and focus a little bit on medical liability reform because that does play an integral role in the overall quality and making the physician workforce. I’d like to talk a little bit about the history of medicine, some of the things that have happened in the last 100 years and some of the things I see just happening and just over the horizon as we begin the dawn of the 21st century.

And finally, I do think we need to talk a little bit about the status of the uninsured and, again, some of the other current events that surround health care in this Congress.

Madam Speaker, we pay doctors in our Medicare system under a formula known as the sustainable growth rate formula, and this has been the case for the past several years, and it has led to problems, certainly every year that I have been in Congress, and the Congressional Budget Office in January of 2003, and the problems actually predate that for some time.

The difficulty with that formula is it ties physician reimbursement rates to a number based upon the gross domestic product which, in fact, has no bearing on the cost of delivery and the volume and intensity of medical services delivered.

And Medicare, of course, many people know it’s supposed to be an integrated program but, in fact, in many ways it is high load. You have part A that’s paid for with a payroll deduction just much the same as Social Security. Part A, of course, covers hospitalization expenses.

Part B covers physician expenses. That is paid for out of member premiums that citizens purchase every year, and it is paid for out of, 25 percent by law the premium dollar and 75 percent comes out of general revenue.

Part C, the recently enacted Medicare prescription drug benefit, had money budgeted for that purpose. Remember that was all the fight of November of 2003 when we enacted that law, but money was actually on the budget and dedicated for that purpose. And those moneys exist and, indeed, are appropriated automatically each year. So I want to make sure you understand that it has to be $268 billion. If we do manage to get physicians who are at the very beginning of their training, physicians in residency, and we certainly can’t forget those individuals who might even be contemplating a career in health care now because we can help them make the correct decisions.

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an understandable human reaction to a situation that’s terribly complex.

But, Mr. Speaker, let me just illustrate for you what will happen if Congress does not do its duty and does not do something to prevent the physician cuts, the payment cuts that are already on line to occur January 1 unless Congress acts legislatively prior to that time. The Center for Medicare and Medicaid Services on November 1 of this year, after running through the formula, they said okay, this year based on what we budgeted for and what the actual spending was, we are going to have to downwardly adjust physician payment rates by 10.1 percent. That’s 10.1 percent, a pretty significant amount of money. If we don’t do something, that’s what is going to hit January 1.

You say, well, okay, Medicare payments aren’t that great anyway and a lot of physicians’ offices don’t rely just strictly on the Medicare reimbursement they get to keep their doors open; so it won’t really affect my doctor’s practice. But one of the things that we forget in this House of Representatives, one of the things that we just conveniently again stash away in that part of our brains where we put things that are too hard, almost every commercial insurance company in the United States pegs their reimbursement rates to Medicare. So what happens when Congress or the Center for Medicare and Medicaid Services mandates a 10 percent physician fee cut in Medicare and we don’t do anything to correct it before the end of the year? That has an extremely deleterious effect on almost every practicing physician’s office in this country. There are very few who will be absolutely isolated from that. I realize some in academic medicine may not actually feel it. Some doctors who practice in federally qualified health centers may not see that or may not feel it. But the bulk of the physicians, the men and women who are out there every day seeing us when we get sick, seeing our kids when they get sick, those are the ones who are going to feel the brunt of this inactivity by this Congress.

I bring this up tonight not because I introduced just this week a resolution in the House of Representatives, House Resolution 863 for those who are in the House of Representatives, the near-term solution is stop the cuts, repeal the SGR. We know we can’t repeal the SGR straight up right now, that it will take a time line in order to do that, and that is why I suggest 2010. I would like to bring this up tonight because that seems like a good time line for us to follow. It gives us a little over 2 years to get that done.

When we face a problem as complicated as the formula that I put up in the chart here, one of the problems is that those involved in these things are just too difficult to tackle head-on all at once. So you need a near-term, a mid-term, and a long-term strategy to deal with these very complicated problems, and I have outlined it here tonight. The near-term, the short-term strategy, stop the cut. Find some money. There’s plenty of money. In a $3 trillion budget, you tell me we can’t find someplace to save some money in a $3 trillion budget to pay physicians a formula that doesn’t fairly award for taking care of the patients we have asked them to take care of.

So the near-term solution is stop the cuts. The mid-term solution is we sit down and work together with the common goal of the long-term solution, which is the repeal of the sustainable growth rate formula, and begin to pay physicians on the same sort of schedule that we pay our hospitals, that we pay our HMOs, that we pay our drug companies, that we pay our travelers. And this by the way the inverse function of delivering type adjustment. It’s called the Medicare economic index. It’s not something that is unique to me. I didn’t make it up. I didn’t make up the term of how it is calculated. But this is a known number put out by the Medicare Payment Advisory Committee. And the rule of thumb over year over year it suggests a modest update in physician reimbursement to keep up with the cost of delivering care.

Let’s be honest. From a Federal Government standpoint, Medicare reimbursement rates were never meant to match private insurance rates. Someone explained to me one time if you
in all the hospitals are doing generally well under that scenario. Nursing homes, a little less generous. And, again, it does bounce up and down a little bit. But as you can see, year over year a positive update, certainly a positive update that’s in excess of 2 percent. Possibly for nursing homes it approaches 3 percent. But look over here at the doctors in 2002, and this was the last year I was practicing medicine. And sure enough, we got a 5.4 percent pay cut just right across the board in any Medicare procedure that we performed.

Now, for the next several years, 2003, 2004, and 2005, we did manage to find the money to provide a little bit of a positive update. Notice even in these years when physician practices were flush with cash from Medicare payments, they really never even approached what nursing homes were receiving in updates and certainly were nowhere near what hospitals and Medicare Advantage plans received. Medicare Advantage plans, I would point out, did not exist prior to 2004. That’s why they start with that darker line there.

Then in 2006 there is nothing recorded on the Texas physician. We euphemistically termed that a zero percent update. Anything else that we do in the Federal Government, if we say we are going to hold you at level funding for this fiscal year, people would be coming out of the woodwork crying that’s a cut. That’s a cut because you’re not keeping up with the cost of living. It didn’t seem to bother us a bit to do that to America’s physicians. But at least a zero percent update is a whole lot better than that which was originally proposed in 2007, which was, again, about a 5 percent negative update. We actually were able to stave this one off and keep that again at a zero percent update for 2007. And now for this next year, 2008, whatever you do put on the chart for that will dip down to almost the bottom of the chart because a 10.1 percent negative update is going to have a significant deleterious effect, a significant pernicious effect on our practicing physicians. Again, our physicians that we have asked to take on the burden of seeing our Medicare patients.

Now, I do spend a lot of time on the floor of this House talking about physicians workforce issues. This is the cover of the March 2007 periodical that is put out by my State medical society, the Texas Medical Association, appropriately titled “Texas Medicine.” And the cover story last March was “Running Out of Doctors.” And this was a fairly significant graphic for me when I saw that at the time.

About a year before this publication came out, Alan Greenspan, in one of his last trips around the Capitol right as he was retiring as Chairman of the Federal Reserve Board, Chairman Greenspan came and talked with a group of us one morning. And the inevitable question came up, how are we ever going to find the funding for the unfunded obligations that Congress has taken on? How are we going to pay for Medicare when the baby boomers retire? And then, I was an optometrist about it for a moment and he said you know, “when the time comes, I trust that Congress will make the correct decisions, and that the Medicare program will continue.” He stopped for a moment, thought some more, and then added to that, “What concerns me more, will there be anyone there to deliver the services when you want them?” And that is one of the critical issues facing us today.

And of course it’s this inequity in supply and demand, supply and distribution of the physician workforce that’s driving a lot of the problems that we find in health care today. And no question it has some effect of elevating prices, and just the fact that it takes some of these types of physicians. There was a very compelling article here in the Washington area a few months ago about the travails and toils a reporter had with trying to get their child in to see a pediatrician. And these sorts of stories. I travel, not a lot, but some around the country to visit with medical groups in the country, and you will hear all those stories from all over the country. It’s not unique to one geographic location.

Three bills that were introduced earlier this year to deal with physician workforce issues, H.R. 2583, H.R. 2594 and H.R. 2585. Now, H.R. 2585 deals with what I like to term “the mature physician.” So, it deals a lot with the sustainable growth rate formula and the inequities of the sustainable growth rate formula as it pertains to how the Federal Government compensates its medical workforce.

The thrust behind 2583 and 2585 was to, again, take that short-term, mid-term and long-term approach to the problem such that we would fix the problem, we would stop the cuts in 2008 and 2009 and 2010. We would gear towards absolute repeal of the SGR formula. Again, remember I said that it’s going to cost money when that time comes. And that has always been the difficulty when trying to talk to Members about that, try to get the legislation passed, to help me repeal the SGR. And by doing that, you get the legislative momentum, the congressional momentum, and perhaps if we collected those together, we could find the monies to help cushion the offset expense of repealing the sustainable growth rate formula. But I was wrong, no one was willing to come forward. And as a consequence, I never really got the traction or the momentum that I needed on that.

In fact, interestingly enough, in 2008, we introduced a bill, H.R. 2585, introduced earlier this year, was to get that concept out there earlier, get Members talking about it. How was I going to approach it? Well, 2008 and 2009, remember, we don’t repeal the SGR. So, many doctors looked to us and said, I was looking, I was waiting, I was hoping they would repeal the SGR. But I was wrong, no one was willing to come forward.

As I look back over the years when I was practicing, I thought that the cumulative index that I showed you, one of those earlier poster boards. That is the difficulty. It’s essentially a bookkeeping entry that has not yet been made. The money has been spent, it’s gone. It’s not sitting somewhere in the Federal Treasury drawing interest. It’s a bookkeeping entry that has yet to be made.

We have to take this on. We have to do it. It’s the right thing to do. It’s the right thing to do. We want our Medicare patients taken care of. They are arguably some of the most complex clinical situations that a doctor encounters on a daily basis, and we ought to do the right thing.

Now, how do you do that and be able to encourage Members to look at this seriously when the published price tag is so large? When I initially tried to do this in the last Congress, a bill I introduced called 5866, when, remember the cost of repeal was $216 billion. I thought that at that time perhaps the correct way to go about it was to work on the repeal straight up, maybe look for the pay-fors later as we got toward the conclusion of the process. And I was hopeful that hospitals, nursing homes, other medical entities that draw on Medicare funding would perhaps come forward with suggestions of where savings could be made because I don’t think there is a single person in this Congress who doesn’t feel that there are some inefficient ways that the Federal Government spends money in the Medicare system, and perhaps if we collected those together, we could find the monies to help cushion the offset expense of repealing the sustainable growth rate formula. But I was wrong, no one was willing to come forward. And as a consequence, I never really got the traction or the momentum that I needed on that. And again, the 109th Congress ran out before we could get anything done.

So, early this Congress I thought, I have to get something out there. I have to get something out there quickly. I need to get people to understand this problem. We certainly don’t need to leave it until the last minute this year, but unfortunately that’s what has transpired. So, the idea behind 2585, introduced earlier this year, was to get that concept out there earlier, get Members talking about it. How was I going to approach it? Well, 2008 and 2009, remember, we don’t repeal the SGR. So, many doctors looked to us and said, I was looking, I was waiting, I was hoping they would repeal the SGR. But I was wrong, no one was willing to come forward. And as a consequence, I never really got the traction or the momentum that I needed on that. And again, the 109th Congress ran out before we could get anything done.

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During those 2 years’ time, the run-up to the repeal of the sustainable growth rate formula, we recognize that we are saving money, we are doing things better in medicine today than we did yesterday, and how do I know this? I can tell you exactly what we told you yesterday. Well, the Medicare Trustees Report that came out in June of this year pointed out that the bad news is Medicare is still going broke, but the good news is it’s going to go broke a year later than we told you the year before. So in other words, somewhere along the line there had been some savings in the Medicare system, and where did that savings occur? Well, one of the places it occurred, as identified in the Trustees Report, was 600,000 hospital beds weren’t filled in the year 2005 that were expected to be filled. Why weren’t they filled? They weren’t filled because, again, the doctors were doing things on a more timely basis, more accurate diagnoses, the whole ability to timely treat disease with the prescription drug benefit now available for seniors in the Medicare program. All of these things had a bearing, and as a consequence, more patients were treated as outpatients, treated in the doctor’s office, treated in a hospital, treated in a day surgery center, perhaps treated in a day surgery center, but these patients were kept out of the hospitals, and so these hospitalizations were avoided.

Remember when I talked about the funding silos for Medicare. Although we will talk about Medicare as an integrated program, part A, which pays for the hospital expenses, is funded out of a payroll deduction just like the FICA tax, just like Social Security. Part B is funded out of member premiums and general revenue. By law, only 75 percent of it can be funded out of general revenue; 25 percent of that number has to come from member premiums.

So, money on the hospital side, we’re saving money for part A. But why are we saving the money? We’re saving the money because we’re working better, smarter, faster in part B. So it would only make sense to have CMS identify those savings that right now are going on the books as savings for part A, identify those savings, aggregate those savings, collect those savings, and use them to offset the cost of repealing the sustainable growth rate formula in part B.

You know, remember, Madam Speaker, the lock box from the year 2000, in the Presidential race everyone was talking about a lock box and they were going to put Social Security in a lock box, and with all the discussion of whose lock box was bigger than whose? But we’ve still got the lock box. We can put these savings that we’re creating in part A, put them in a lock box, 2 years later open it up, and we offset some of the cost of paying down the so-called debt in repealing the SGR formula.

There were some other things that I identified in the bill as other ways to perhaps enhance savings. Certainly we asked CMS to try to identify the 10 diagnoses where most of the money was spent, and let’s really focus our efforts on those 10 diagnoses and see if we can’t create greater and greater efficiencies in treating those 10 conditions that lead to the highest expenditures in the Medicare system. And let’s look honestly at what we can do on the preventive side. Remember what our mothers always taught us, an ounce of prevention is worth a pound of cure. If we want that pound of cure on the front end so we don’t have to spend so much for that pound of cure on the out end. And then let’s take that pound of cure that we’ve saved and use it to offset the cost of repealing the sustainable growth rate formula.

Well, another way we could save some money is, any of the monies that are recovered by the Department of Justice, the Federal Government for Medicaid, and the so-called Medicare audits, money that is fraudulently taken from Medicare and then recovered, again, that’s money that’s stolen from part B. Let’s not put that money into the coffers of somewhere else. Let’s let that accrue as part of the savings that we put in that lock box that we use to offset the cost of repealing the sustainable growth rate formula.

Two other things that I think are important as far as gaining some overall efficiency in the system, was added some voluntary positive updates for physicians who were willing to voluntarily participate in quality reporting exercises, and physicians’ offices who were willing to voluntarily participate in improvements of health information technology. We don’t have, and certainly in Congress, certainly the Federal Government doesn’t have the answers as to what creates the perfect health information technology platform. In many ways, private industry is light years ahead of where the Federal Government is. And maybe, you know, Madam Speaker, some days, honestly, I just wonder if we should get out of the way with some of our regulatory burdens, some or our stark laws and let private industry develop these platforms, because clearly, in the last 5 years that I’ve been here, we’ve had a lot of talk, we’ve had a lot of bills introduced, we’ve had a lot of debate, we’ve even passed some bills in the House during the last Congress, but we are no closer to having any sort of a national standard for health information technology today than we were when I first got here 5 years ago. I believe the individual’s name was William Brailer who was in charge of that project. He is now, unfortunately, no longer with Health and Human Services. The project has, for all intents and purposes in my mind, been a disappointment, but it doesn’t mean that health information technology has just been stagnant. Other stakeholders, other participants in the health care system in the United States have created and drafted and are working on their individual platforms. And at some point they will reach critical mass in the private sector where there will be general acknowledgment that, yes, this is the health information technology platform of the future and the one to which we all should subscribe. It would have been a useful function of the Federal Government to help along the way, but honestly, I don’t see us there yet, and I don’t see us there in the foreseeable future. You would think the Federal Government would have had a significant role to play in that because if you look at health care expenditures in this country, almost 50 cents out of every health care dollar that’s spent in this country has its origin right here on the floor of the House of Representatives.

When you consider what we spend in Medicare, what we spend in Medicaid, Health and Human Services, and the so-called Medicare audits, money that is fraudulently taken from Medicare and then recovered, again, that’s money that’s stolen from part B. Let’s not put that money into the coffers of somewhere else. Let’s let that accrue as part of the savings that we put in that lock box that we use to offset the cost of repealing the sustainable growth rate formula.

I will just tell you, Mr. Speaker, I did practice medicine for 25 years. In fact, I established a medical practice in California this year in 1974. I can’t tell you that I was a big acolyte of electronic medical records when I was a practicing physician. I dabbled in it some. I would listen to people talk who came to sell us various packages.

We had to buy a new computer right before the Y2K scare where all of our computers were going to lock up at midnight and we wouldn’t be able to get anything done the next day. So like everyone else, I went out and bought a new computer system. I asked what that would cost to add an electronic medical records package on to the basic computer system that I purchased for my five-physician office. The basic computer system itself cost about $30,000 or $70,000. Some other contracts we had to sign for maintenance and upkeep were not cheap. Adding a medical records package to that was $10,000 for a five-physician practice. Quite honestly, at the time, it seemed way too expensive for a small group like we were, but we were able to make that, but we were able to make that, but I just knew I really wasn’t sold on the concept of electronic medical records. Then in the end of August 2005, we saw probably the
worst hurricane to hit the United States that certainly has happened in recorded history, Hurricane Katrina that hit New Orleans, and then the subsequent flooding after the levees broke. Touring New Orleans 5 months later with the Energy and Commerce Committee on Oversight and Investigations, we were permitted to go into the basement of Charity Hospital into their records room. This was the basement of Charity Hospital. You can see the tiling thing that the water got along the ceiling. There is actually still, it doesn’t show in this photograph, there is still water on the floor 5 months into this process. And you can see the paper medical records.

Remember that Charity Hospital was one of the venerable old institutions in this country. It was one of the hospitals that has trained many of the premier physicians in this country. Charity Hospital had been there for a long time, and it had multiple racks and stacks of medical records. But look at these things. This isn’t smoke damage. This isn’t fire damage. This is black mold that is growing on the paper, on the manila folders and on the paper in the medical records. Clearly, these are medical records that in all likelihood now are lost to the ages. I don’t know. The water was up to the top shelf when the building was underwater. A lot of the ink and writing may well have washed off. But you honestly could not ask someone to go in here and pull a record and provide you some of the medical information that might have been contained therein, because clearly it would simply be too hazardous to ask anyone to go in there and retrieve it.

Well, when I visited the basement of Charity Hospital that day, I became a convert for recognizing that medicine does need to come into the 21st century. It is going to be expensive. There is going to be a change. Again, mature physicians like myself have to learn this new technology and to have to learn how to use a keyboard. But it would be an investment that we would have to make.

I think we have to pay for it. I don’t think we can simply say to a doctor’s practice, you are going to have to just do this. It is part of the cost of doing business. And although you can’t attribute any direct revenue increase to the fact of increasing your output, you are going to add to that a cost for the time it is going to take to have to do this, there will be a lot of resistance, and a lot of practices just simply won’t do it. They will drop out of Medicare and whatever insurance company requires electronic medical records.

If we pay for it, if we allow an increase in reimbursement for physicians who voluntarily undertake this kind of training and upgrade, I think that’s a very reasonable return on investment. So included in the bill that I introduced to initially repeal the sustainable growth rate formula was a 3 percent positive update for physicians who voluntarily undertake to modernize their recordkeeping and to embark upon the process of creating electronic medical records.

But I think that is the way we have to do it. It has to be voluntary. You can’t force people to do these things. Right now, you can’t force them to do these techniques. You can’t force them to devote the time necessary to learn these techniques. It does have to be done on a voluntary basis. That is the correct way to learn things, not through mandates, but through creating programs that people actually want and getting their participation voluntarily, not because the Federal Government has said thou shalt.

Now, it stands to reason that after a certain period of time, part of that work will be completed. And this positive update does go away after a period of time, but it does provide a bridge for physicians who are using paper records today. It provides them a bridge, an opportunity to go into a electronic medical record system.

The reason I spend so much time on this is we had introduced in the Senate last week a bill that would require electronic prescriptions. Well, it’s a good idea. The theory is a sound one, the Institute of Medicine says that doctors’ handwriting is terrible. I am here to tell you mine is. The ability, though, to whip off a written prescription takes about 10 seconds. The time involved for filling out an electronic prescription, even on a little handheld is going to be somewhat longer than that, particularly at the beginning of the learning curve.

Well, the average physician practice as I had back in 2002, you would have to see between 30 and 40 patients a day in order to pay the overhead and have something to take home at the end of the day. You add a minute or 2 on to every patient’s encounter, and that is going to be adding about an hour a day on to that physician’s practice time, an hour that they are simply going to be filling out an electronic form for E-prescribing. Clearly, again, they have to be compensated for that.

The bill that was introduced I think recognized that and said there would be a 1 percent update for doctors, a 1 percent bonus for doctors who indeed undertook that. Well, just doing a little bit of the math, a moderately complicated Medicare patient return visit probably didn’t pay as much as $50 a visit, but let’s say for the sake of argument that is what it paid. Well, a 1 percent update for that patient’s encounter is what you are going to see about four of those patients in an hour’s time, so that is an additional $2 an hour that we are paying for that. It doesn’t seem like a lot, I say that, too, because you look at all of the various stakeholders and interest groups, the insurance companies, the pharmacy benefit managers, the community pharmacists who want this done see value in it, and the vendors who sell the electronic medical record system.

So why are we low-balling it at the doctor’s end with simply a 1 percent bonus? And then the other part of that concept that I found disturbing was, it was kind of billed as a carrot and stick approach, the carrot was the 1 percent bonus, the stick was when 5 years, 4 years or 5 years, I forget which, Doctor, if you’re not doing this, we’re going to penalize you 10 percent. So wait a minute. I go from if I do this, I am going to make an extra 50 cents on this patient encounter or $2 an hour additional if I do this. If I don’t do it in a few years, I am going to be down $20 an hour for not participating. The inequity of that just strikes me as being, again, “disturbing” is probably the kindest word that I can use in this context. Honestly, the thought that I will agree with the theory, the application is flawed, and we have to think of a better way to do that. That is why when I was crafting 2585 it was a voluntary participation. It stayed voluntary.

I think if you show physicians that you are able to deliver something of value, eventually, we are a very competitive lot. That is why we become doctors. And we will want to have the practice that has the newest and latest and greatest, and if other physicians’ offices, hey, they are doing this e-prescribing and it is great, by the time I get to the pharmacy after my doctor’s visit, the order has already been e-mailed to the pharmacist. It’s been filled, it is sitting there waiting for me, and the insurance stuff is already filled out, patients are going to see value in that, and they will begin to ask that of their doctors. But to do this in a terribly punitive way, I think we are going to drive more doctors out of taking care of our Medicare patients, and that really should not be our goal.

The two other bills I introduced dealing with the physicians workforce with physicians who are contemplating a career in health professions and dealt with physicians who were in their residencies. We recognize that we are facing a shortage of primary care doctors, a shortage of general surgeons, OB-GYNs, gerontologists. And these bills were geared toward getting more of those doctors to consider medical school, getting more of those newly minted doctors into residency programs near their homes. Because we doctors do possess a lot of knowledge, and if you train those doctors in the places where they are needed, they are likely to stay within a 50-mile, 100-mile radius of where they
have undergone that training. That is one of the thrusts of the article from the Texas Medicine piece, that doctors do tend to locate close to where they are trained, so if we can expand the number of primary care residencies in medically underserved areas with health care needs we will find that we actually attract more physicians to those areas. That is a vastly preferable way of dealing with some of the manpower shortages than just simply telling people where they are going to go. And this has been an astounding success in the State of Texas. Medical liability insurers were leaving the State in droves. We were down to two liability insurers my last active year of practice 2002, and let me tell you, you don’t get much price competition when you have only two liability insurers in your State. By invoking this bill and passing a constitutional amendment that allowed the bill to stand placing a cap on noneconomic damages, $250,000 for the doctor; $250,000 for the hospital; $250,000 for a second hospital or nursing home, if one is involved, by trifurcating that cap for noneconomic damages, we really feel that we have a system in place that does adequately compensate patients who are injured, and at the same time provide some stability in the medical liability insurance market that they needed to be able to look to Texas as a place where they wanted to do business. And they have. They have come back. Today, we have many more insurers now than we, in fact, had before the exodus started in the early 2000s.

Most importantly, they have come back into the State without an increase in premiums. Texas Medical Liability Trust, my old insurer of record, the premium reductions and the dividends paid back to their shareholders aggregate to about a 22 percent reduction in medical liability insurance. And this has been an astounding success. I recall medical liability premiums going up by significant amounts year over year over year, and now we have seen an aggregate 22 percent reduction since passage of this bill in 2002.

A lot of times when I talk about medicine, I talk about the fact that I am optimistic. I think medicine is on the cusp of a significant transformation. When you look at the last century, and there was kind of some instructive periods, the period of 1910 when boy, we are really coming out of the dark ages of medicine. Prior to that time, the accepted methods of practice, blistering, burning and bleeding were what were practiced by physicians, and everyone thought you were a good doctor if you did those things. We were leaving those days behind. We were coming into the time of anesthesia, we were coming into the time of antibiotics, into the time of vaccinations. As their products, vaccinations had become available, new ways of looking at public health and public sanitation. And at the same time, all those advances happening in the science of medicine, we had some social change occurring as well, and part of it occurred up here at the United States Congress with the commissioning of a group called the Flexner Commission. Ultimately they produced what was called the Flexner Report that directly addressed the discrepancies in medical training and in medical schools across the country. It was the standardization of medical school curricula as a result of the Flexner Report, and albeit that function was then taken over by States, it was that standardization of medical curricula that allowed for medicine to capitalize on all those good things that were happening around that time.

Well, jump ahead to the middle of the 1940s, we are in the middle of the Second World War, and cortisone had been discovered a few decades before, but it wasn’t really commercially available because no one had really perfected the process.

During the war, an American company working in this country was able to produce penicillin on a scale never before imagined. It was cheaply commercially produced for the first time in 1943 or 1944 and, in fact, was available to treat our soldiers who were injured at the landing of Normandy, and many lives and limbs that otherwise would have been lost as a consequence of infection following those wartime injuries were, in fact, saved because of the introduction of penicillin. It went from being a laboratory curiosity to something that was readily available, inexpensive and available to almost any doctor practicing.

At the same time, cortisone, again introduced many years ago before but a commercial process developed by Percy Julian, a Ph.D. biochemist, an African-American that we honored in this House during the last Congress because of his contributions to medicine. He developed a way to mass-produce cortisone using a soybean as a precursor using fermentation.

So suddenly you had an antibiotic and you had a potent anti-inflammatory. These two powerful medical tools placed into the hands of our practitioners in this country, and, again, at the same time you had a significant social change because of the Second World War and wage and price controls that President Roosevelt put into place to prevent inflation, those wage and price controls were putting a damper on employers being able to keep their employees healthy and happy. So they said, look, can we offer benefits like retirement plans and health insurance. The Supreme Court weighed in and said yes, you can, and not only that, you can provide those as a pretax expense. We had the introduction of newer hypertensive drugs. Remember, just a generation before we lost our President, Franklin Roosevelt, to the ravages of unchecked hypertension. In the 1960s we could treat that.

At the same time, we had the introduction of Medicare and then subsequently Medicaid. Suddenly the Federal Government has a profound footprint and a profound influence over the practice of medicine.

Mr. Speaker, I think we are on the cusp of just such a transformational time right now. I think the changes occurring in information, the speed with which we learn things, is now unlike any time in this country’s past.

Think of this: People are going to be able to go and with a relatively inexpensive test have their human genomes sequenced. They will be able to know, as more and more is found out about the human genome, what diseases may pose a risk for them in the future, what things they are not at risk for, powerfully information that is going to be in the hands of our patients.

They are going to come to the office with this information in hand. It won’t be a test that we order them to take or that we request them to take, but think of the difference in the practice of medicine. In the 1980s, I would tell someone a diagnosis. They would ask me what I was going to do about it. In the 1990s, I would give a diagnosis. They would go home, look it up on the Internet and come back and tell me what I was supposed to be doing about it. Now patients are going to come in with genetic information in hand say, this is what I am at risk for. What are you going to do to prevent it, doctor? It will be an entirely different way, an entirely new paradigm, an entirely different way of approaching the practice of medicine, a transformational time. Yet, at the same time, if Congress does not, does not invoke the right policies, Congress is inherently a transactional body. We hold the policy at the hands of the majority leader. Congress is inher-

nently transactional. We redistribute income. We take things from one group...
and give it to another. The trans-
actional can become the enemy of the trans-
formational.

Our former Speaker, Newt Gingrich,
is famous for saying “real change re-
quires real change.” I believe that to be true, it is that his second prin-
ciple of transformation. And, more to
the point, this is a time of real change,
and medicine is really changing under
our feet. Whether we like it or not,
whether we think we can control it or
do not, it doesn’t matter. Medicine is
changing. Change requires us to
to change how we think about and how
we approach these problems. The old
ways, the SGR formulas of the 20th
century, aren’t going to work in the 21st century. They cannot be allowed
to impede the incredible trans-
formation that stretches before us.

Mr. Speaker, before I wrap up, I do
want to mention one additional bill that I introduced recently, and Mem-
bers may want to consider adding
themselves as cosponsors. It is H.R.
4190.

This is an interesting bill, because we
talk in this House about what are we
going to do about the uninsured. And
we all sit back and think big thoughts
about what we are going to do about
the uninsured. Well, H.R. 4190 actually
moves that process along in kind of a
different way.

H.R. 4190 would take health insur-
ance benefits away from Members of
Congress. Congress would provide a
voucher to Members of Congress to buy
health insurance, but we would no
longer be participants in the Federal
Employee Health Benefits Plan. We
would become uninsured, and it would
force us to look at the market, what is
available for someone who doesn’t have
insurance.

It might cause us to be a little more
clever about some of the things we do
in our Tax Code, and perhaps we
would be less punitive toward people
who want to individually own their in-
surance policy as opposed to someone
who wants to get it from their em-
ployer. So it would be an entirely dif-
ferent way for Members of Congress to
approach this problem. Quite honestly,
I don’t expect a long line of cosponsors
when I get back to my office later to-
night, but I would like for Members to
think about this.

It is terribly difficult for us to come
up with solutions when we are sitting
back in a situation where we are insu-
lated, we are anesthetized, where we
are never going to have to face those
types of decisions and those types of
problems that our constituents face on
a daily basis.

We also need to be more careful
about how we talk about people who
are uninsured. We toss around numbers
and basically use them as political
bludgeons or political wedges. We need
to be more specific when we talk about
the specific demographic groups that
are contained within that large number
of people who are labeled “the unin-
sured.”

A significant number, 10 percent in
some estimates, are people who are
university students or just graduated
from the university. These are people
who are generally healthy and rel-
atively inexpensive to insure. We ought
to find a way to make that happen. We
ought to think about ways to at least
allow the possibility and ability for that
demographic group to purchase insur-
ance. Twenty percent of the number
actually earn enough money to buy
health insurance. They just don’t see
the reason or necessity in doing so.

A lot of that is cost driven. It is price
driven. We have done things to insur-
ance policies to make them so expen-
sive. We are unequal in our tax treat-
ment for individuals who want to indi-
videntally own their policies.

We need to look at those things, be-
cause, again, if we made the product af-
fordable, if we made it desirable, again,
if we put products out there that peo-
ple would actually want, then they are
more likely to take it. I think that is
vastly, vastly superior to simply say-
ing there is going to be an indi-
vidual mandate or a State mandate or
an employer mandate where people will
be required to line up and file into these
programs.

Let’s approach it differently. Let’s
create the programs so that people
want them, rather than creating the
condition that forces people into pro-
grams that maybe they want and may-
be they don’t want, but we will never
know because we never ask.

But we can be more insightful. In
fact, we can be more valuable to the
American people if we will think about
things in terms of who is involved in the
demographics of that large group of
the number of uninsured, and how can
we best approach it in a way that we are
producing or providing the environ-
ment for them to be able to have that
insurance coverage that they desire.

Well, there is a lot left unsaid at this
point. I do appreciate the indulgence of
the Chair.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to
address the House, following the legis-
lative program and any special orders
herefore entered, was granted to:
(The following Members (at the re-
quest of Mr. CLEAVER) to revise and ex-
tend their remarks and include extra-
aneous material:)

Mr. CLYBURN, for 5 minutes, today.
Mr. ALLEN, for 5 minutes, today.
Mr. LARSON of Connecticut, for
5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. SPRATT, for 5 minutes, today.

(The following Members (at the re-
quest of Mr. POE) to revise and extend
their remarks and include extraneous
material:)

Mr. POE, for 5 minutes, December 19.
Mr. JONES of North Carolina, for 5
minutes, December 19.

Mr. LAHOOD, for 5 minutes, today.
(Submitted at his own request to revise and extend his re-
marks and include extraneous mate-
rial:)
Mr. ENGEL, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following
title was taken from the Speaker’s
table and, under the rule, referred as
follows:

S. 793. An act to provide for the expansion
and improvement of traumatic brain injury
programs; to the Committee on Energy and
Commerce.

ENROLLED BILLS SIGNED

Ms. Lorraine C. Miller, Clerk of the
House, reported and found truly en-
rolled bills of the House of the fol-
lowing titles, which were thereupon
signed by the Speaker:

H.R. 365. An act to provide for a research
program for remediation of closed meth-
amphetamine production laboratories, and
for other purposes.
H.R. 4252. An act to provide for an addi-
tional temporary extension of programs
under the Small Business Act and the Small
Business Investment Act of 1958 through May
23, 2008, and for other purposes.

BILLS PRESENTED TO THE
PRESIDENT

Lorraine C. Miller, Clerk of the
House reports that on December 11,
2007 she presented to the President of
the United States, for his approval, the
following bills:

H.R. 710. To amend the National Organ
Transplant Act to provide that criminal pen-
alties do not apply to paired donations of
human kidneys, and for other purposes.
H.R. 3315. To provide that the great hall of
the Capitol Visitor Center shall be known as
Emancipation Hall.
H.R. 3988. To implement the United States-
Peru Trade Promotion Agreement.
H. 4118. To exclude from gross income
payments from the Hokie Spirit Memorial
Fund for the victims of the tragic event at
Virginia Polytechnic Institute & State Uni-
versity.

ADJOURNMENT

Mr. BURGESS, Mr. Speaker, I move
that the House do now adjourn.

The motion was agreed to; accord-
ingly (at 10 o’clock and 53 minutes
p.m.), the House adjourned until to-
morrow, Thursday, December 13, 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:
4522. A letter from the Administrator, De-
partment of Agriculture, transmitting the
Department’s final rule. Watermelon Re-
search and Promotion Plan; Assessment In-
crease [Doc. No. AMS-FV-07-0038; FV-07-701]
received December 10, 2007, pursuant to 5
U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

452. A letter from the Administrator, Department of Agriculture, transmitting the Department’s final rule — Citrus Canker; Movement of Fruit From Quarantined Areas [Docket No. APHIS-2007-0022-9] (RIN: 0570-AC34) received November 26, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

452. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department’s final rule — Indian Tribal Land Acquisition Program Loan Writedowns (RIN: 0660-AG87) received October 23, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

452. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule — Ethalfluralin; Pesticide Tolerance [EPA-HQ-OPP-2007-0375; FRL-8343-1] (RIN: 2070-AJ26) received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.


452. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule — Pesticide Tolerance Technical Amendment [EPA-HQ-OPP-2006-0621; FRL-8153-5] received November 15, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

452. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule — Pendimethalin; Pesticide Tolerance Technical Amendment [EPA-HQ-OPP-2005-0805; FRL-8156-6] received November 15, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

452. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule — Cyprodinil; Time-Limited Pesticide Tolerance [EPA-HQ-OPP-2005-0119; FRL-8156-8] received November 15, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.


455. A letter from the Office of Legislative Affairs, Department of the Treasury, transmitting the Department’s final rule — Offering and Governing Regulations to Attain or Maintain a Savings Account Program [EPA-HQ-OPP-2006-0029; FRL-8156-8] received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

455. A letter from the Director, Office of Legislative Affairs, Department of the Treasury, transmitting the Department’s final rule — Expanded Examination Cycle for Insured Depository Institution Employees [EPA-HQ-OPP-2006-0321; FRL-8153-5] received November 15, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.


462. A letter from the Director, OSHA Directorate of Standards and Guidance, Department of Labor, transmitting the Department’s final rule — Employer Payment for Personal Protective Equipment (Dockets S-02 (OSHA docket office) and OSHA-S042-2006-0001; FRL-8202-2] received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

463. A letter from the Director, OSHA Directorate of Standards and Guidance, Department of Labor, transmitting the Department’s final rule — Employer Payment for Personal Protective Equipment (Dockets S-02 (OSHA docket office) and OSHA-S042-2006-0001; FRL-8202-2] received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.
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4549. A letter from the Acting Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule “Fisheries of the Exclusive Economic Zone Off Alaska; Trawl Gear in the Gulf of Alaska [Docket No. 070213032-7032-01] (RIN: 0648-XD4) received October 23, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4570. A letter from the Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule “Fisheries of the Exclusive Economic Zone Off Alaska; Trawl Gear in the Gulf of Alaska [Docket No. 070213032-7032-01] (RIN: 0648-XD4) received October 23, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4573. A letter from the Deputy Assistant Administrator For Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod Allocations in the Bering Sea and Aleutian Islands Management Area; Correction [Docket No. 0611242903-7445-03; I.D. 112006I] (RIN: 0646-XD8) received October 23, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4574. A letter from the Acting Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule — Fisheries of the Economic Exclusive Zone Off Alaska; Shallow-Water Species Fishery by Vessels Using Trawl Gear in the Gulf of Alaska [Docket No. 070213032-7032-01] (RIN: 0648-XC26) received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4575. A letter from the Acting Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule — Fisheries of the Economic Exclusive Zone Off Alaska; Atlantic Bluefin Tuna Fishery (RIN: 0646-XD4) received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4576. A letter from the Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Atlantic Bluefin Tuna Fishery; Quota Transfer [Docket No. 061109296-7009-02] (RIN: 0646-XD4) received December 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.
801(a)(1); to the Committee on Transportation and Infrastructure.

4612. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives: Boeing Model 747-100, -200C, and -300 (Docket No. FAA-2007-27597; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4613. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4614. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4615. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4616. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4617. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4618. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4619. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4620. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); to the Committee on Transportation and Infrastructure.

4621. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule — Amendment to Restricted Areas R-3702A and R-3702B: Fort Campbell, KY (Docket No. FAA-2007-27798; Directorate Identifier 2007-NM-170-AD) (RIN: 2120-AA64) received December 5, 2007, pursuant to 5 U.S.C. 801(a)(1); 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. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 4357. A bill to amend the Federal Water Pollution Control Act relating to beach monitoring, and for other purposes; with an amendment (Rept. 110–124). Referred to the Committee of the Whole House on the State of the Union.

Ms. SLAUGHTER: Committee on Rules. House Resolution 869. Resolution providing for consideration of the joint resolution (H.J. Res. 43) continuing appropriations for the fiscal year 2008, and for other purposes (Rept. 110–492). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. THOMPSON of Mississippi (for Mr. WICKER):

H.R. 4457. A bill to establish the Mississippi Delta National Heritage Area and the Mississippi Hills National Heritage Area, and for other purposes; to the Committee on Natural Resources.

By Mr. ELLSWORTH (for himself, Ms. VELÁZQUEZ, Ms. CLARKE, Mr. CURILLAR, Mr. HIGGIN, Ms. HIGGIN, Mr. JOHNSON of Georgia, Ms. MOORE of Wisconsin, Mr. SESTAK, and Mr. SHULER):

H.R. 4458. A bill to amend chapter 6 of title 5, United States Code, to improve the quality of care provided to veterans in Department of Veterans Affairs medical facilities, to encourage highly qualified doctors to serve in hard-to-fill positions in such medical facilities, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4463. A bill to amend title 38, United States Code, to improve the quality of care provided to veterans in Department of Veterans Affairs medical facilities, to encourage highly qualified doctors to serve in hard-to-fill positions in such medical facilities, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SHADEGG:

H.R. 4459. A bill to amend section 404 of the Illegal Immigration Reform and Immigrant Rights Responsibility Act of 1996 to allow public institution of higher education to use the employment eligibility confirmation system established under that section to verify immigration status for purposes of determining eligibility for in-state tuition; to the Committee on Ways and Means.

H.R. 4464. A bill to ensure that an employer may require employees to speak English while engaged in work; to the Committee on Education and Labor.

By Mr. BISHOP of Georgia (for himself, Mr. KINGSTON, and Mr. SHULER):

H.R. 4465. A bill to reduce temporarily the duty on certain acrylic synthetic staple fiber; to the Committee on Ways and Means.

H.R. 4466. A bill to extend the temporary suspension of duty on formulated product KNO3 IDP; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia:

H.R. 4467. A bill to extend the temporary suspension of duty on diuron; to the Committee on Ways and Means.

H.R. 4468. A bill to extend the temporary suspension of duty on N,N-dimethylhydrazine chloride; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia:

H.R. 4469. A bill to extend the temporary suspension of duty on diuron; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia (for himself, Mr. KINGSTON, and Mr. SHULER):

H.R. 4470. A bill to suspend temporarily the duty on certain acrylic synthetic staple fiber; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia (for himself, Mr. KINGSTON, and Mr. SHULER):

H.R. 4471. A bill to suspend temporarily the duty on certain acrylic synthetic staple fiber; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia (for himself, Mr. KINGSTON, and Mr. SHULER):

H.R. 4472. A bill to suspend temporarily the duty on certain acrylic synthetic staple fiber; to the Committee on Ways and Means.

By Mr. BISHOP of Georgia (for himself, Mr. KINGSTON, and Mr. SHULER):

H.R. 4473. A bill to suspend temporarily the duty on certain acrylic synthetic staple fiber; to the Committee on Ways and Means.

H.R. 4474. A bill to suspend temporarily the duty on yarn of carded cashmere yarn coarse or finer than 19.35 metric; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4475. A bill to suspend temporarily the duty on yarn of carded camel hair yarn; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4476. A bill to extend the temporary suspension of duty on yarn of combed cashmere or yarn of camel hair; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4477. A bill to extend the temporary suspension of duty on yarn of carded cashmere yarn coarse or finer than 19.35 metric; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4478. A bill to extend the temporary suspension of duty on yarn of combed camel hair, processed beyond the degreased or carbonized condition; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4479. A bill to extend the temporary suspension of duty on yarn of carded camel hair, processed beyond the degreased or carbonized condition; to the Committee on Ways and Means.

By Mr. COURTNEY:

H.R. 4480. A bill to extend the temporary suspension of duty on yarn of carded camel hair, processed beyond the degreased or carbonized condition; to the Committee on Ways and Means.
By Mr. COURTNEY:
H.R. 4481. A bill to extend the temporary suspension of duty on woven fabrics containing 65 percent or more by weight of viscose rayon; to the Committee on Ways and Means.

By Mr. COURTNEY:
H.R. 4482. A bill to extend the temporary suspension of duty on camel hair, not processed in any manner beyond the degreased or carbonized condition; to the Committee on Ways and Means.

By Mr. COURTNEY:
H.R. 4483. A bill to extend the temporary suspension of duty on mohair on camel hair; to the Committee on Ways and Means.

By Mr. COURTNEY:
H.R. 4484. A bill to extend the temporary suspension of duty on fine animal hair of Kashmiri or Angora goats; to the Committee on Ways and Means.

By Mr. COURTNEY:
H.R. 4485. A bill to extend and revise the temporary suspension of duty on Biaxially oriented polypropylene dielectric film; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4486. A bill to suspend temporarily the duty on 2-oxepane, homopolymer, oxydi-2,1-ethanediyl; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4487. A bill to suspend temporarily the duty on 2-oxepane, polymer with alpha-hydro-Omega-hydroxycyclohexane-1,4-butandiol; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4488. A bill to suspend temporarily the duty on 2-oxepane, homopolymer; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4489. A bill to suspend temporarily the duty on 2-oxepane, polymer with 1,4-butandiol; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4490. A bill to suspend temporarily the duty on 2-oxepane, polymer with 1,4-butandiol; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4491. A bill to suspend temporarily the duty on 2-oxepane polymer, 1,3-isobenzoxazolines terminated; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4492. A bill to suspend temporarily the duty on 2-oxepane, polymer with 1,6-hexanediol; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4493. A bill to suspend temporarily the duty on 2-oxepane, polymer with 2-ethyl-2-(hydroxymethyl)-1,3-propanediol; to the Committee on Ways and Means.

By Mr. CULBERSON:
H.R. 4494. A bill to suspend temporarily the duty on 2-oxepane, polymer with 2,2-dimethyl-3,3-propanediol; to the Committee on Ways and Means.

By Mr. DAVID DAVIS of Tennessee:
H.R. 4495. A bill to amend the Elementary and Secondary Education Act of 1965 to ensure that the Impact Aid program of the Department of Education guarantees full funding under current formulas to local educational agencies in which the Federal Government owns at least 50 percent of the land; to the Committee on Education and Labor.

By Mr. DAVID DAVIS of Tennessee:
H.R. 4496. A bill to amend the Elementary and Secondary Education Act of 1965 to ensure that the Impact Aid program of the Department of Education guarantees that each eligible local educational agency receives at least the same percentage of the maximum payment under current formulas as the percentage of its land owned by the Federal Government; to the Committee on Education and Labor.

By Mr. LINCOLN DAVIS of Tennessee (for himself, Mr. SHADEZER, and Mr. SHULER):
H.R. 4497. A bill to amend title 10, United States Code, to prohibit the Secretary of Defense from authorizing the use of electronic devices on Department of Defense property; to the Committee on Armed Services.

By Mr. G. P. RAVES:
H.R. 4498. A bill to amend title III of the PROTECT Act to modify the standards for the issuance of alerts through the AMBER Alert communications network to assist in facilitating the recovery of abducted newborns; to the Committee on the Judiciary.

By Mr. HERGER:
H.R. 4499. A bill to suspend temporarily the duty on certain musical instruments; to the Committee on Ways and Means.

By Mr. HERGER:
H.R. 4500. A bill to suspend temporarily the duty on certain compasses; to the Committee on Ways and Means.

By Mr. HERGER:
H.R. 4501. A bill to suspend temporarily the duty on certain Christmas tree lamps; to the Committee on Ways and Means.

By Mr. HERGER:
H.R. 4502. A bill to suspend temporarily the duty on certain Christmas tree lamps; to the Committee on Ways and Means.

By Mr. HERGER:
H.R. 4503. A bill to suspend temporarily the duty on certain ski equipment; to the Committee on Ways and Means.

By Mr. HINOJOSA (for himself, Mr. ORTIZ, Mr. RODRIGUEZ, Mr. REYES, Mr. CUBILLA, Mr. GONZALEZ, Mr. HINOJOSA of Texas, and Ms. JACKSON-LEE of Texas):
H.R. 4504. A bill to authorize the International Boundary and Water Commission to reimburse State and local governments of the States of Arizona, California, New Mexico, and Texas for expenses incurred by such a government in designing, constructing, and rehabilitating water projects under the jurisdiction of such Commission; to the Committee on Transportation and Infrastructure.

By Mr. HOLT:
H.R. 4505. A bill to suspend temporarily the duty on Norelco 9696; to the Committee on Ways and Means.

By Mr. HOLT:
H.R. 4506. A bill to suspend temporarily the duty on Fungus 500 EC; to the Committee on Ways and Means.

By Mr. HOLT:
H.R. 4507. A bill to extend the temporary suspension of duty on palm fatty acid distillate; to the Committee on Ways and Means.

By Mr. HOLT:
H.R. 4508. A bill to suspend temporarily the duty on Compound T9028; to the Committee on Ways and Means.

By Mr. HOLT:
H.R. 4509. A bill to suspend temporarily the duty on Cetalox; to the Committee on Ways and Means.

By Mr. HOLT:
H.R. 4510. A bill to extend the temporary suspension of duty on Dimethyl malonate; to the Committee on Ways and Means.

By Mr. ISRAEL:
H.R. 4511. A bill to extend the temporary suspension of duty on certain electrical transformers; to the Committee on Ways and Means.

By Mr. ISRAEL:
H.R. 4512. A bill to extend the temporary suspension of duty on certain electrical transformers; to the Committee on Ways and Means.

By Mr. LOBIONDO:
H.R. 4520. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered from 1998 through 2000; to the Committee on Ways and Means.

By Mr. LOBIONDO:
H.R. 4521. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered from 1998 through 2004; to the Committee on Ways and Means.

By Mr. PERLMUTTER:
H.R. 4521. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered from 1998 through 2004; to the Committee on Ways and Means.

By Ms. PRYCE of Ohio:
H.R. 4517. A bill to suspend temporarily the duty on 4-Vinylbenzenesulfonic acid, sodium salt; to the Committee on Ways and Means.

By Ms. PRYCE of Ohio:
H.R. 4518. A bill to suspend temporarily the duty on 4-Vinylbenzenesulfonic acid, lithium salt; to the Committee on Ways and Means.

By Ms. SCHWARTZ:
H.R. 4519. A bill to suspend temporarily the duty on pure decumyl peroxide; to the Committee on Ways and Means.

By Mr. OHEY:
H.R. 4520. A joint resolution making further continuing appropriations for the fiscal year 2008, and for other purposes; to the Committee on Appropriations.

By Mr. SKELTON:
H. Con. Res. 269. Concurrent resolution directing the Clerk of the House of Representatives to correct the enrollment of the bill H.R. 1585, considered and agreed to.

By Mr. CUMMINGS:
H. Res. 870. A resolution congratulating the 200th Anniversary of the University of Maryland School of Medicine; to the Committee on Education and Labor.

By Mr. GRAVES:
H. Res. 871. A resolution opposing the United States Sentencing Commissions decision to reduce crack cocaine sentences; to the Committee on the Judiciary.

By Mr. WILK:
H. Res. 872. A resolution recognizing the ongoing work of The United States Sweet Potato Council and expressing support for designation of a “Sweet Potato Month”; 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. LOBIONDO:
H.R. 4520. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered from 1998 through 2000; to the Committee on Ways and Means.

By Mr. LOBIONDO:
H.R. 4521. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered from 1998 through 2004; to the Committee on Ways and Means.

By Mr. LOBIONDO:
H.R. 4521. A bill to provide for the liquidation or reliquidation of certain entries relating to high-density laminate panels entered...
from 1907 through 2005; to the Committee on Ways and Means.

By Mr. LOBIONDO:
H.R. 4523. A bill to provide for the liquidation of certain entries relating to high-density laminate panels entered from 2000 through 2005; to the Committee on Ways and Means.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS
Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:
H.R. 17: Mr. COURTNEY, Mr. YARMUTH, and Mr. COHEN.
H.R. 73: Mr. KLINE of Minnesota.
H.R. 165: Mr. KLINE of Minnesota.
H.R. 181: Ms. CORRINE Brown of Florida, Mr. GHALVALA, Mr. FATTAR, Mr. FARE, and Ms. WOOLSEY.
H.R. 334: Mrs. JONES of Ohio.
H.R. 369: Mr. MARCHANT, Mr. MCGOVERN, and Mr. SMITH of Washington.
H.R. 406: Mr. CHANDLER.
H.R. 448: Mr. KLINE of Minnesota.
H.R. 499: Mr. WYNN.
H.R. 527: Mr. TAYLOR.
H.R. 503: Mr. BILIRAKIS.
H.R. 506: Mr. ETHERIDGE and Mr. COLE of Oklahoma.
H.R. 567: Mr. ELLISON, Mr. STARK, and Mr. SHER."
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H. Con. Res. 244: Mrs. Boyda of Kansas, Mr. Hare, Mr. Sullivan, and Mr. Kagen.
H. Con. Res. 247: Mr. Hinojosa, Mr. Grijalva, and Mr. Engel.
H. Con. Res. 250: Mr. Jefferson and Mr. McNulty.
H. Con. Res. 267: Mr. Weiner, Mr. Lincoln Davis of Tennessee, Mr. Costa, Mr. Marchant, Mr. Ryan of Ohio, Mr. Emanuel, Mr. Fattah, Mr. Donnelly, and Mr. Stearns.
H. Res. 356: Mr. Fortuño.
H. Res. 537: Ms. Waters.
H. Res. 620: Mr. Kucinich and Mr. Israel.
H. Res. 671: Mr. McCaul of Texas.
H. Res. 805: Mr. Wilson of South Carolina and Mr. Terry.
H. Res. 815: Mr. Holden, Mr. Kind, Mr. Ortiz, Ms. Sutton, Mr. Reichert, Mr. Lantos, and Mr. Tierney.
H. Res. 816: Mr. Miller of North Carolina, Mr. Ross, Mr. Conaway, Mr. Young of Alaska, Mr. Rahall, Mr. Moore of Kansas, Mr. Allen, Mr. McNerney, Mr. Kind, Mr. Higginson, Mr. McDermott, Mr. Wu, Mr. Kildee, Mr. Gonzalez, Mr. George Miller of California, Mrs. Cubin, Mr. Cooper, Ms. Hooley, Mr. Markey, Ms. Solis, and Ms. Bordallo.
H. Res. 821: Mr. Aderholt, Mr. Gonzalez, and Mr. Wilson of South Carolina.
H. Res. 834: Ms. Hirono and Mrs. Gillibrand.
H. Res. 838: Mr. Lincoln Diaz-Balart of Florida, Ms. Eshoo, Mr. Gene Green of Texas, Mr. McNulty, Mr. Wicker, and Mr. Cohen.
H. Res. 841: Ms. Woolsey, Mr. Schiffer, and Ms. Waters.
H. Res. 843: Mr. Young of Florida, Ms. Granger, and Mr. Terry.
H. Res. 852: Mr. McCaul of Texas and Mr. Ellison.
H. Res. 863: Mr. Young of Alaska, Mr. Porter, Mr. Gingrey, Mr. Boustany, Mr. Roskam, Mr. Burton of Indiana, and Mrs. McMorris Rodgers.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

OFFERED BY MR. OBEY

H.J. Res. 69, making further continuing appropriations for the fiscal year, 2008, and for other purposes, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of Rule XXI.

PETITIONS, ETC.
Under clause 3 of rule XII.

202. The SPEAKER presented a petition of House of Representatives of the Republic of the Philippines, relative to House Resolution No. 12 expressing indignation and condemning the American tv series "Desperate Housewives' and demanding an apology from the producer; which was referred to the Committee on Energy and Commerce.
The Senate met at 9 a.m. and was called to order by the Honorable BENJAMIN L. CARDIN, a Senator from the State of Maryland.

PRAYER
The Chaplain, Dr. Barry C. Black, offered the following prayer:
Let us pray.
Eternal God, You are true to Your promises, for You surround Your people with the shield of Your favor. We trust Your love and celebrate Your goodness. Forgive us when we ignore You, when we are so preoccupied with the transitory that we neglect the eternal.
Guide our lawmakers. Keep them from imputing absolute value to that which is of relative importance. May they never presume upon Your generous provisions or live as if they are independent of You. Instead, infuse them with Your love, wisdom, and power, and teach them to speak words that will bring healing and hope.
We pray in the Name of the Prince of Peace. Amen.

PLEDGE OF ALLEGIANCE
The Honorable BENJAMIN L. CARDIN 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.

NOTICE
If the 110th Congress, 1st Session, adjourns sine die on or before December 21, 2007, a final issue of the Congressional Record for the 110th Congress, 1st Session, will be published on Friday, December 28, 2007, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through Thursday, December 27. The final issue will be dated Friday, December 28, 2007, and will be delivered on Wednesday, January 2, 2008.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

Senators’ statements should also be formatted according to the instructions at http://webster/secretary/cong_record.pdf, and submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at “Record@Sec.Senate.gov”.

Members of the House of Representatives’ statements may also be submitted electronically by e-mail, to accompany the signed statement, and formatted according to the instructions for the Extensions of Remarks template at http://clerk.house.gov/forms. The Official Reporters will transmit to GPO the template formatted electronic file only after receipt of, and authentication with, the hard copy, and signed manuscript. Deliver statements to the Official Reporters in Room HT–60.

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By order of the Joint Committee on Printing.

ROBERT A. BRADY, Chairman.
Mr. CARDIN. Thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The Acting President pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, the Senate will be in a period of morning business for 3 hours this morning. The reason for the inordinate amount of time is that I will make a presentation in a little bit to get this started—we have more than 100 pieces of legislation that are held up, legislation that could move so very quickly, in a matter of minutes. But we cannot do that because there are Republican holds on these bills.

So we are going to go through our period of time this morning, asking consent to move to these bills. We hope some of them will pass. Some of them we should get done.

The leading cause of death in 20 States in the United States for children under age 14 is getting caught in the drains of swimming pools. It has been somewhat noted because John Edwards had one of the first legal cases in that regard.

Alaska, where you would not think there are a lot of swimming pools, or at least I would not, but there obviously are lots of swimming pools, that is the leading cause of death in Alaska for children.

We have a hold on that bill. It passed the House with three dissenting votes, 418 to 3. We cannot pass that. There are children dying while we are not able to proceed on something such as that. There are over 100 issues similar to that. It is not right. So if people wonder why we are spending so much time, that is the reason. Maybe we will get some of these people who are on the other side of the aisle who object to this to come, rather than these hidden holds, and speak.

It is not good for the body. If there are problems with a piece of legislation, that is one thing. But take that one case as an example. Following morning business, we will conduct two rollcall votes in relation to the two Gregg amendments. Other amendments will be debated following the Gregg votes and more rollcall votes will occur through the day and into the evening.

I would like to commend Senators HARKIN and CHAMBLISS for their work; they have accomplished in getting an agreement with respect to the amendments. As to the list of amendments right now, all 20 Republican amendments have been offered; the Democrats have offered 8 or 9.

The work they have done in the last few days I think has been exemplary. While they were successful in getting agreements on these amendments, other amendments will still need to be debated and voted on or accepted by the two managers.

As the year comes to a close, and the first year of the 110th Congress winds down, there is no doubt, if we continue in the current direction, this will be known as the Congress of Republican obstruction.

Already, in 1 year, Republicans have arrived at the all-time obstruction record for a full 2-year session. What we are seeing this year from Republicans is not ordinary obstruction, it is obstruction on steroids. It is terribly damaging to the American people. I do not question the right of Republicans to block bills, in fact, block bill after bill; that is how the Senate has worked. And we all play by the same rules. But because you have the right does not make it right.

On a daily basis, Republican Senators talk about the lack of progress this year. For all we have done, why have things moved so very slowly? The answer is obstruction, Republican obstruction. It is disingenuous for Republicans to complain about a lack of progress and then make a concerted effort to block change.

Obstruction is the prescription drug bill, to make medicines more affordable. We have been able to accomplish a lot, but it has been difficult when we have had to file about 60 cloture petitions.

We have been able to do some good things with the minimum wage, 9/11 Commission recommendations, the landmark ethics and lobbying reform, we have done some good work with mine resistant combat vehicles, we have given the National Guard equipment they need, we have stepped in and looked at the plight of American veterans based on the Walter Reed scandal.

We have revitalized the Gulf Coast after Katrina, disaster relief for small business and farmers, Western wildfire relief. We have looked into the scandal relating to the U.S. attorneys. We passed legislation to help correct that. We have passed the WRDA, Water Resources Development Act, and a competitiveness bill led by Senators BINGMAN and ALEXANDER, we have been able to get that done.

We have done the most significant change to college education since the GI Bill of Rights. We have been able to do some good things regarding the Internet, keeping the Internet tax free, expanding Head Start. We have done some good things.

But we have been stopped from doing other important things. The prescription drug bill is a perfect example. As we speak, companies can go negotiate for lower priced drugs for their employees. The Veterans’ Administration can negotiate for lower prices for veterans that Medicare cannot. There is a prohibition that Medicare cannot negotiate for lower priced drugs. That should be changed. We tried to change it. It was blocked; obstruction of our efforts to change the course in Iraq; obstruction of our efforts to pass an AMT fix in a fiscally responsible way; obstruction of our FHA bill, a bill that President Bush has called upon us to pass that would help Americans save their homes from foreclosure.

These are a few of the well-known examples. My Democratic colleagues and I this morning are going to talk about some of the lesser known priorities Republicans have blocked. These bills might not make headlines, but they will make a difference in people’s lives, such as the swimming pool drains I talked about.

All these bills we will seek to pass today will make our country stronger. Every single one of them has fallen victim to Republican obstruction. There are no serious complaints about the bills which we seek to pass this morning, at least I do not think so. Many of them have already more than 50 co-sponsors, Democrats and Republicans—Republicans, Democrats and Republicans.

Many have already been overwhelmingly passed by the House of Representatives and could be sent to the President’s desk this afternoon. This is bills, through obstruction, which Democrats and Republicans.

As I indicated, a number of my colleagues will follow. What I am going to talk about now, I am going to talk about the ALS registry—ALS, Amyotrophic Lateral Sclerosis, the Lou Gehrig’s disease, this great first baseman for the New York Yankee who was a man of iron who could not overcome this disease.

Similar to all people who get this disease, from the time it is discovered until you die is an average of 18 months. We have all had friends and relatives who have suffered and died from this disease. It is caused by a degeneration of the nerve cells that control voluntary muscle, which causes muscle weakness and atrophy. It is nearly always fatal. It may give victims, as I have indicated, a short time to live.

Once in a while you find someone who lives several years, and that is a blessing in their lives. Early this year, a woman named Kathie Barrett and her husband Martin traveled to Washington, DC, from Sparks, NV, to advocate on behalf of the ALS registry.

What is a registry? It is the first step to solve the problems of disease. Many years ago, they developed a cancer registry. I was involved in setting up one for a disease called interstitial cystitis. It is a disease that afflicts mostly women; 90 percent of the people who
have the disease are women. It is a blader disease that is tremendously debilitating. I had three women visit me in my Las Vegas office. They did not want to be there. They were there out of desperation. They all had this disease, which was thought for many years to be psychosomatic.

It is best described as shovering of glass up and down one’s blader. What was the first thing we had to do? We developed a registry. As a result of that, 40 percent of the people who have this disease are no longer suffering. They are symptom free.

Medicine was developed. It does not take care of everyone, but because of the registry, they were able to determine how people are affected, where they are affected, in different parts of the country, and how different medicines work. That is what we are trying to do here, develop, on behalf of Lou Gehrig’s disease, a registry.

Kathie was diagnosed with this disease. She is still alive, which is a miracle. Despite having a breathing capacity of about 60 percent of normal, with considerable muscle loss in her neck and back, she made the long trip from Sparks, 2,000 miles. She and her husband made that trip because they believe passage of this registry is essential to the search for a cure for this devastating illness.

Every year about 6,000 people learn they have this disease, for which there is no cure, and only one specific FDA-approved drug. That drug works on 20 percent of the patients, and even for them, it extends life for usually less than a year. So for a number of reasons, ALS has proven particularly difficult for scientists and doctors to make progress upon.

One of the reasons is there is not a centralized place for data collected on the disease. Right now, that is the case. There is only a patchwork of data about ALS to work with to researchers. So this legislation, the ALS Registry Act, will do something that is both simple and crucial. It would create an ALS registry at the Centers for Disease Control to help arm our Nation’s researchers and clinicians with the tools and information they need to make progress in the fight against this dread disease.

The data made available by a registry will potentially allow scientists to identify causes of the disease or, maybe, lead to the discovery of a new treatment, a cure for ALS or even a way to prevent the disease in the first place.

This may not lead to a cure overnight, but it will give those who suffer reason for hope, real scientific hope. If you are looking for bipartisanship, look no further. The House recently passed a similar measure, H.R. 2295, by a vote of 411 to 3. How often does anything pass the House by such a large margin?

Before the Thanksgiving recess, the HELP Committee in the Senate followed suit by reporting the ALS Registry Act unanimously. What is more, two-thirds of the Senate, Democrats and Republicans alike, are cosponsors. I am appreciative of the work of my Republican colleagues, Senators Warner and Enzi, as well, of course, Senator Kennedy, who is always out front on these issues.

Unfortunately, despite the nearly unanimous support of the House of Representatives, the unanimous committee vote, and the overwhelming support of the Senate of对我，大家反对—all over here, of course. For Kathie and Martin Barrett of Sparks and many thousands just like them, hope remains unfulfilled. Why has this happened? This crucial bill has been subjected to Republican holds. While some Republicans stand in the way, people’s lives hang in the balance. Let’s not forget the average life expectancy for an individual with this disease, after it is diagnosed, is 18 months, a year and a half. This is not the time to make holds. We should stall. We don’t have a moment to spare. We should send this bill to the President today. I ask my Republicans, please end their holds, end this senseless obstruction. The eyes of the Barretts and tens of thousands of Americans who are under this diagnosis are upon us. Let’s honor their courage and grace by fulfilling their hope for a cure.

Mr. President, I ask unanimous consent that the ALS bill that is now before the Senate be read three times, passed, and any statements related thereto be printed in the Record at the appropriate place.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CORNYN. Mr. President, the rights to object, would the Senator modify his request to include the passage of S. 2340, the troop funding bill?

Mr. REID. Mr. President, isn’t this something? Would I modify my request for this at some time in the future, after the Senate has passed, and any statements related thereto be printed in the RECORD at the appropriate place.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CORNYN. Reserving the right to object, would the Senator modify his request to include the passage of S. 2340, the troop funding bill?

Mr. REID. Mr. President, isn’t this something? Would I modify my request for this at some time in the future, after the Senate has passed, and any statements related thereto be printed in the RECORD at the appropriate place.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CORNYN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.
where the disease occurs in our country. It was objected to. That is too bad.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

POLITICAL EXERCISES

Mr. McCONNELL. Mr. President, what we are going to witness for the next 3 hours is the kind of thing that gives the public such a low impression of Congress. Looking at the new Gallup poll that just came out, the President has a 37-percent approval rating—certainly not anything to applaud if you are a Republican. But the Democratic Congress has a 22-percent approval rating, 15 percent below the President.

Why is that? I think it is because the American people thought they sent us here to legislate. Obviously, in a body such as the Senate, in order to legislate you have to do things on a bipartisan basis. We are very different from the House of Representatives. We are actually beginning to make progress on the farm bill, although I must say we have only had one vote this entire week. It is Wednesday morning, and we have had one vote. The farm bill is now ready to move forward, and we are taking, at the insistence of the majority, 3 hours this morning to finger-point and make excuses and try to explain to the American people why we haven’t been able to do enough on a bipartisan basis to achieve anything on their behalf.

It is now December 12, nearly a quarter of the way through the fiscal year. To date, we have had only one spending bill signed into law. The Energy bill is still pending. Updates to the laws governing our terrorist surveillance program so that we can track terrorists and prevent attacks haven’t been addressed.

As I indicated, we are spending 3 hours this morning engaged in what will essentially be a finger-pointing exercise instead of making further progress on the farm bill, which is poised to be completed if we will just stay on it. Christmas is less than 2 weeks away. You would think there would be a flurry of activity on the floor. You would think we would be doing everything possible so we could finish our work before New Year’s Eve. But, as I indicated earlier, so far this week we have had one vote, and this is Wednesday.

Surely, the majority has scheduled votes all day today: right? Wrong. We will not even consider the pending business, the farm bill, until at least this afternoon. And why do we have to wait until this afternoon? Is it so we can spend the morning addressing tax relief or the cost of gasoline or our troops and veterans? None of the above. We are gathered here this morning so the majority can spend hours of valuable floor time trying to score political points instead of trying to make law.

As I indicated earlier, they have set aside 3 hours to try to show that this session’s very limited accomplishments haven’t been their fault, that the endless investigations and midnight Irak votes were not the cause. They have set aside this time as if magically in the next 3 hours they will somehow pass the litany of things they have not been able to accomplish over the past 3 months.

Let’s not waste even more time relearning the lessons of the past. Partisanship and refusal to work with the minority may get you a headline, but it won’t get bills signed into law. If you are serious about accomplishments, let’s get back to work. Let’s work together so that instead of pointing fingers, this Congress can actually point to some accomplishments. It is December 12. There is simply no time for political exercises on the Senate floor. We simply don’t have the luxury of putting off our fundamental responsibilities any longer.

If the majority is serious about finishing our work and not merely about making a political point, they will not object to the following unanimous consent request which I will now make.

I ask unanimous consent that we return to the pending business of the farm bill in order to make further progress on this important measure.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DURBIN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period of morning business for 3 hours, with the time equally divided and controlled between the two leaders or their designees and with Senators permitted to speak up to 10 minutes each, with the majority controlling the first half and Republicans controlling the final half.

The assistant majority leader.

OBSTRUCTION BY FILLIBUSTER

Mr. DURBIN. Isn’t this perfect? The minority leader on the Republican side comes to the floor, lamenting the fact that we aren’t moving to the farm bill immediately. I think there is something in the water in the U.S. Capitol that leads to political amnesia. The Senator from Kentucky has obviously forgotten that we sat on the floor and languished for more than 2 weeks because the Republicans presented us with 200 amendments to the farm bill and wouldn’t narrow them down to a reasonable number we could consider. We sat here for 2 straight weeks and did nothing. Now the Senator from Kentucky has great angst over the thought that we might even talk about a farm bill before we return to the farm bill at noon.

Trust me, we will return at noon. We should have finished it weeks ago. We could have finished it weeks ago if the Senator from Kentucky had attended his Republican conference together and said: Please, once every 5 years we consider a farm bill. We don’t consider amendments of everything under the sun—the Tax Code, medical malpractice. We focus on the farm bill, on nutrition and rural development and agricultural programs. If he had done that, if he had gathered his Republicans together and asked for a modicum of cooperation, we would have finished the farm bill weeks ago.

But now, how he comes to the Senate floor with a heavy heart that we might spend the next 2½ hours talking about something other than the farm bill. He has forgotten, obviously, what has transpired. But the CONGRESSIONAL RECORD tells the story. The record is there for America to see.

This Republican minority has taken us to a new place in the Senate. They have broken a record. I don’t think another Congress will be able to match what they have been able to do, at least I hope not. There is something in the Senate called a filibuster. A filibuster is a time-honored tradition where an individual Senator can virtually stop debate on a measure by standing and speaking. Most people are familiar with it because of the popular movie of 50 or 60 years ago, “Mr. Smith Goes to Washington.” Jimmy Stewart stood at his desk, this brand-new Senator from Kentucky, fighting the odds and against the establishment until he crumbled in exhaustion. His filibuster ended as he was physically spent. That was an image emblazoned on the minds of many across America of a Senate where one person can stand and fight to the bitter end.

There is some truth to that movie. In a filibuster, any Senator can take the floor on an amendable measure and hold the floor as long as they are physically able to do so. The record may be held by Senator Thurmond of South Carolina. If I am not mistaken, he spent some 24 hours once in the midst of one of these filibusters.

I remember reading an account, incidentally. The first man I ever worked for in the Senate was a Senator from Illinois named Paul Douglas. They knew Strom Thurmond was going to initiate this filibuster. They also knew they might be able to end the filibuster early if he had to take a break for a trip to the restroom. They knew Senator Thurmond had orange juice, and they brought a pitcher of orange juice on the Senate floor next to his desk, hoping he would drink it and
it would end the filibuster. It did not work. He went on for 24 hours.

You can do it, and the only way to stop it is to file a motion to close off that debate called a cloture motion. So in the history of the Senate, the record is, in the 12 years, 61 filibusters—roughly 30 filibusters a year. That is the record. Rarely have we reached that number—until this year. The Republican minority has now broken the all-time record for filibusters in the Senate. We believe the number is 58—58 filibusters. So 58 times they have stopped the Senate, sometimes for the required 30 hours, but sometimes for weeks at a time. They have taken the role of the Senate—a deliberative body—and turned it into an obstacle course where they toss filibusters in front of every suggestion we make.

Well, I respect this place. I respect this institution. I am honored to serve here. But I think the Republican minority has abused the tradition of the Senate by using the filibuster as a weapon—this year—and we are not even finished. This is an indication of their fear—their fear of change, their fear of new legislation, their fear that perhaps we would put together a bipartisan answer to some of the challenges facing America, their fear we will write a record of accomplishment that they failed to write when they were in charge. That is what drives this—fear, fear of the future, fear of change. They are a party without a future. It is the parties of the past using the tactics of the past, and America can see it.

I listened to Senator Reid of Nevada, our majority leader. He came to the Senate floor to talk about one piece of legislation which he asked to bring up for a vote. It is not a radical idea. It is not a big government program. It is not an increase in taxes or anything like it. Simply put, it is a registry for those afflicted with ALS, Lou Gehrig’s disease. It hopes that gathering that information about the victims—where they live, how old they are, and their circumstances—will help us not only provide medication for them but learn about this disease.

Can you think of anything more bipartisan than that? The first victim I ever personally saw with Lou Gehrig’s disease was a man who served in this Chamber. He was a man who was a Senator from the State of New York. I mentioned Paul Douglas earlier, who I thought was one of the best whos ever served in our State. I once asked him, as a college student: Who were the greatest U.S. Senators?

He said: I think Wayne Morse is one of the greatest. And he said: Of course, Jacob Javits—a Republican Senator from New York, who was honored and respected by my mentor and hero, Paul Douglas, a Democrat from Illinois.

Well, when I came to the House of Representatives, Jacob Javits had retired and was a victim of ALS. I would see him in this heroic role, coming to Washington, lobbying Members of the House and the Senate for research funds on Lou Gehrig’s disease. He was in a wheelchair. He had lost the use of his arms and legs but for just a minor amount of function he had in one hand, and he was on a respirator. He was moving around in a motorized wheelchair, on a respirator, begging for funds for research for Lou Gehrig’s disease.

How could you ever forget that image? I cannot.

I think of my neighbor in Springfield, IL, John Buyck, who is moving around in a motorized wheelchair, a member of the all-time record for filibusters. That is the record. Rarely have we reached that number—until this year. The Republican minority has now broken the all-time record for filibusters in the Senate, the record in the history of the Senate, the record—24 hours. He went on for 24 hours.

It would end the filibuster. It did not pass. He would have accepted a rollcall, not to just guarantee it is going to pass. He would have accepted a rollcall, I am sure. Just give us a chance to bring that up on the Senate floor. How much time would it take? Thirty minutes? Of course, there was an objection. The Senator from Texas, Mr. Cornyn, objected to bringing up the bill on the Lou Gehrig’s disease registry in America—objected to bringing up the bill. His reason? He will not let us bring up that bill until we are guaranteed you know what the result?

The ACTING PRESIDENT pro tempore. The Senator’s time has expired.

Mr. DURBIN. Mr. President, I ask unanimous consent to extend my remarks under morning business for an additional 10 minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

The Chair hears none, and it is so ordered.

Mr. DURBIN. He, of course, wants us to only allow a registry for Lou Gehrig’s patients if we will allow a debate on providing $50 billion, $60 billion, $70 billion more for the war in Iraq—not paid for—and that it happen immediately, even though we have been told by the military they have enough funds to continue this war until at least the end of February, the first of March.

Well, that is the price we would have to pay under the Republican agenda to bring up a bill for the Lou Gehrig’s registry. It is beyond the extremes they will go to to stop even the most benign and bipartisan bill we can think of.

The second bill is the Veterans’ Benefits Enhancement Act. This comprehensive legislation would improve
benefits for all veterans, especially for those with disabilities, and it would also correct a sad historical injustice for Filipino World War II vets.

Again, I asked for unanimous consent. The Republicans objected. However, an objection to a bill is based on substantive provisions in the bill, then they should be all the more willing to enter into the unanimous consent request I proposed last month and will propose again today.

If unanimous consent to those that are actually relevant to veterans issues, it will give an opportunity for all Senators to come to the floor and actually speak to an issue that means so much, not only to our soldiers, to our veterans, and all of their families.

Mr. President, I ask unanimous consent that the Senate may proceed to the consideration of Calendar No. 335, S. 1233, Veterans Traumatic Brain Injury and Health Programs Improvement Act of 2007, at any time determined by the majority leader, following consultation with the Republican leader; that when the bill is considered, the only amendments in order to that than the committee-reported amendment, be first-degree amendments that are relevant to the subject matter of the bill, and that they be subject to relevant second-degree amendments; that upon the disposition of all amendments, the committee-reported substitute amendment, as amended, if amended, be agreed to, the bill, as amended, be read the third time, passed, and the motion to reconsider be laid upon the table; and the motions to reconsider be laid upon the table en bloc; that any statements relating thereto be printed in the Record.

The Acting President pro tempore. Is there objection?

Mr. CORNYN. The Senator from Texas.

Mr. CORNYN. Mr. President, reserving the right to object, I personally have no objection to the request, but there is an objection by Senator Coburn on our side. But I believe if the Senator would modify the request to include a similar time agreement immediately following the time agreement he has requested on this bill to debate and vote on S. 2340, the troop funding bill, that we might be able to reach some agreement. So I would ask him to modify his request to include that.

Mr. DURBIN. Mr. President, without yield would the Senator from Texas yield for a question?

Mr. CORNYN. I would be happy to.

Mr. DURBIN. I would like to ask the Senator from Texas, did he attend the meeting in room 407, the closed meeting, where Secretary Gates, the Secretary of Defense, told us there was sufficient money in the current appropriations bill for the Department of Defense to continue the war in Iraq until at least the end of February or the middle of March so that it was unnecessary to pass the bill, which you have just asked me to consider, immediately?

Mr. CORNYN. Well, Mr. President, responding through the Chair, I would say I did attend that meeting, at which time we were told that civilian employees at the Department of Defense would, at about the middle of December, be laid off just prior to Christmas because of 60-day notice requirements, and that, in fact, the military was only able to sustain the effort in Iraq fighting al-Qaida—the same people who killed 3,000 Americans on September 11, 2001—by moving money from one account to another, causing a lot of disruption, increased expense, and a lot of other problems.

I do not know why our colleagues on the other side of the aisle, after having 63 votes on Iraq so far, attempting to propose surrender dates and to countermand the orders of our generals in the field, are resisting supporting our troops during a time of war. It is un-thinkable to me.

So I am sorry they are continuing to block this necessary funding for our troops and putting 100,000 employees at the Department of Defense—civilian employees—in jeopardy during the holiday season. I was there, and I did hear those comments, in addition to the comments I have just added.

Mr. DURBIN. Mr. President, I ask for regular order at this point.

The Acting President pro tempore. Is there objection?

Mr. CORNYN. Mr. President, there is objection by Senator Coburn on our side. I asked for a modification, and I have not heard an objection to that.

The Acting President pro tempore. Is the Senator from Texas raising an objection?

Mr. CORNYN. I have asked the Senator to modify—I have asked unanimous consent to modify his request to include a time agreement debate, and a vote on S. 2340, the troop funding bill, as a modification of his unanimous consent request.

Mr. DURBIN. I ask for regular order.

Mr. President. Mr. CORNYN. I have not heard an objection to that.

The Acting President pro tempore. The pending request by the Senator from Illinois is before us. Is there objection to that request?

Mr. CORNYN. Mr. President, I see Senator Coburn on the floor. I believe there is an objection on this side. Perhaps it is appropriate to ask Senator Coburn to join us. But let me just say I believe we could reach an agreement, a time agreement on both bills if the Senator would consider modifying his request. Until we can have a chance to discuss this further, there is objection on this side.

The Acting President pro tempore. The Senator from Illinois has asked for regular order. Is there objection to his request?

Mr. CORNYN. There is an objection, as I explained.

The Acting President pro tempore. Objection is heard from the Senator from Texas.

Mr. DURBIN. Mr. President, I will respond to the Senator from Texas, as he is deserving of a response.

Look what has just happened. Senator Reid of Nevada has asked for a registry for those in the United States afflicted with Lou Gehrig’s disease. He wants us to at least get the names and identities of people who are dying from this disease so that we can start to find treatments and cures. The objection came from the Republican side from Senator Cornyn of Texas to a registry for patients suffering from Lou Gehrig’s disease because he insists that we have to also agree to go to a debate on funding for the war in Iraq—$50, $60, $70 billion.

The Senator from Texas conceded my point that we were told by the Secretary of Defense that adequate money to continue this war until the end of February or first of March. So to say we have to move to this immediately is hardly a compelling argument when those are the positions taken by the Secretary.

Then I came in with a request—my own unanimous consent request—to go to a veterans bill to deal with traumatic brain injury, the signature injury of this war in Iraq, and again the Senator from Texas did not yield the floor, was speaking on behalf of the Senator from Oklahoma, Mr. Coburn, objected to taking up this veterans legislation to provide additional health care to deal with the homelessness problem among veterans and to increase the travel rate for veterans living in remote and rural areas who have to go to clinics and hospitals far from home.

I think it is pretty clear: Almost any excuse will do on the Republican side of the aisle to object to moving to legislation. I am going to give them one more chance.

The Acting President pro tempore. The Senator’s time has expired.

Mr. DURBIN. I ask unanimous consent for 5 additional minutes.

The Acting President pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, one of the bills Republicans are stopping is the Emmett Till Unsolved Civil Rights Crime Act, which I cosponsored. This is one of the key civil rights bills of this Congress, creating new positions at the Department of Justice in the Civil Rights Division and in the FBI to strengthen the Government’s ability to investigate and prosecute race-based murders that took place in our country before 1970 and which have gone unsolved. The bill would also create a grant program for State and local prosecutors for additional resources to pursue these heinous crimes.

The story of Emmett Till is a legend in America—and a sad legend. It was one of the most infamous acts of racial
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violence in our Nation’s history. A 14-year-old African American from the city of Chicago, which I am honored to represent, was murdered in 1955 when he was visiting in Mississippi and allegedly flirted with a White woman in a grocery store. His body was found floating in the Tallahatchie River with a 70-pound gin mill fan tied to his neck with barbed wire. Emmett Till’s body was returned to Chicago, and his mother, despite her grief, insisted that there be a public display of his mutilated corpse. The murder of Till, is now in American racial history. Friends of mine who are African American said that was the moment when they decided they couldn’t take it anymore.

Emmett Till’s killers were never brought to justice. They were prosecuted and acquitted by an all-White jury. In a 1956 magazine article, two men confessed to the murder. They said they had committed the murder because they “decided it was time a few people got put on notice,” in their words.

There were at least 114 race-related killings between 1952 and 1968, and in many cases, no prosecutions, no convictions. In recent years, there have been a handful of successful prosecutions, but time surely is not on our side. These cases are old, and so are the defendants and witnesses.

Congressman John Lewis, one of my personal heroes in Congress, is the sponsor of this bill that the House passed by a rollcall vote of 422 to 2. Here is what he said about the bill:

The time has come. For the sake of history, for the sake of justice, for the sake of closure, the 110th Congress must pass this legislation.

The Emmett Till Unsolved Civil Rights Crime Act would not be controversial. The Senate Judiciary Committee passed an identical version by voice vote and no dissent. It has bipartisan sponsors, and authorizes $13.5 million a year but doesn’t appropriate it. It will have to go through the regular appropriations process.

At this time, I ask unanimous consent that the Senate proceed to Calendar No. 237, H.R. 923, the Emmett Till Unsolved Civil Rights Crime Act, that the bill be read the third time and passed and the motion to reconsider be laid on the table without intervening action.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. COBURN. Mr. President, I object. The Senate from Illinois had the opportunity to fund this program fully with an amendment he voted against that I offered on the Commerce-State-Justice bill. The fact is that the Bush administration has already started work on this; they have 30 active cases going now. The complaint was there wasn’t enough money. And amendment that the Senator from Illinois—even the author in the Senate, Mr. Dodd, wasn’t even here to vote for—to fund at a level greater than what this bill authorizes.

Instead, we chose earmarks and pork instead of funding this bill. On the basis of that—I also agree that we ought to be about this.

Mr. DURBIN. Mr. President, I will insist on a regular order for only one point. I would ask unanimous consent that if the Senator from Oklahoma or the Senator from Texas wants to express his objection to an unanimous consent request, that the time he uses in expressing his objection be taken from the time he has remaining for the Republicans in morning business.

Mr. COBURN. I have no problem with that.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. So on that basis, do we want to solve the crimes? Yes. Did they have an opportunity to fund that? Yes. They chose not to. The sponsors of the bill chose money in.

What they want is to play bait and switch. There is no question that these should be adequately funded. The Bush administration started on its own, initiated this program on its own in the justice department and had an opportunity to vote for the money to fund this. They refused to do it—not an authorization, actual dollars. So on the basis of that, I object.

Mr. DURBIN. Mr. President, I will close because I see other colleagues on the floor.

The ACTING PRESIDENT pro tempore. Was an objection made?

Mr. COBURN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. DURBIN. Mr. President, I respect my colleague from Oklahoma. There is one simple fact of legislative rule and law that he does not express accurately. There is a world of difference between an authorization and an appropriation. An authorization gives you permission to ask for money to spend. The appropriations bill spends the money. This is an authorization bill. It would have to go through the regular appropriations process. What he refers to was an attempt at appropriating money to the Department of Justice without enacting the underlying law. It is totally different.

Again, for the third time this morning, the Republicans have obstructed and stood in the way of bringing up legislation, first Senator CORNYN of Texas on a registry for the victims of Lou Gehrig’s disease, then Senator CORNYN on behalf of Senator COBURN for a veterans bill to deal with traumatic brain injury, and finally Senator COBURN of Oklahoma objecting to considering even moving to a bill that would deal with solving these civil rights crimes which so sadly reflect on a period of American history that should be faced in the right way.

Mr. President, I yield the floor.

Mr. CORNYN. Mr. President, will the Senate yield for a question?

Mr. SCHUMER. Addressed the Chair. The ACTING PRESIDENT pro tempore. The Senator from New York is recognized.

Mr. SCHUMER. Mr. President, I rise in support of my friend and colleague from Illinois, as well as my leader, Senator REID, about what is going on here. This is unbelievable. What we have, in fact, is the folks from the other side of the aisle are in disarray. Their basic tenet and philosophy which governs them, which they say to govern, which they have used to win elections starting with Ronald Reagan, is falling apart. There is disension in the Republican Party. There are different wings all over the place. Most importantly, the Republican base which says, basically, shrink Government, get rid of Government, is very far away from where the American mainstream is—not just far away from where Democrats are but far away from the mainstream.

But my colleagues on the other side of the aisle have nowhere to go. They cannot put forward a positive program because their positive program is out of date with the needs of 21st century America. So they have come up with a bunch of filibusters—57, 56, 59, and soon they will set the record in numbers of filibusters—not just obstructing on the most major of issues but on just about everything. Their view is: We can blink things and show we count. With the rules of the Senate, they don’t allow them to block anything they want as long as they prevent us from getting 60 votes. That is true, but that is hardly a sign of strength. That is a sign, in my judgment, of weakness, of an inability to do anything positive, and therefore a unity around just being negative.

In 1980, a lot of people felt Government was too big and out of control. In 2009, with our health care system needing help, with our education system needing help, with our energy policy in a shambles, with our foreign policy—I heard my colleague from Texas mention fighting al-Qaida. What percentage of the troops in Iraq are fighting al-Qaida? We all know that is a misstatement of what is going on there. The vast majority of those who are fighting are fighting in the war between the Sunnis and the Shitites. So the Republican need is different. The world has been hit by a technological revolution. The world has been hit by globalization.

In 2000, we sat astride the globe. We had a budget surplus. We had a prosperous economy. We were respected in the world. Over the last 7 years, under the leadership of President Bush, that has been squandered. That is not just Democrats speaking; that is America speaking. Close to 70 percent of America thinks we are headed in the wrong direction. We were respected in the world. Today, the world has only Democrats but Independents and a near majority of Republicans think we are headed in the wrong direction. But my
colleagues across the aisle, clinging to their base, narrower and narrower, further and further away from the American mainstream and what the American people want, have come up with a policy of obstruction because they can't think of anything else to do.

So we come to the floor and ask for reasonable debates on the major issues facing us, whether it be wean us away from oil and fossil fuels, whether it be improving health care for children, help for our credit markets. I want to talk about one area I have been asked to talk about, the subprime crisis. Because FHA modernization passed the Senate last week, with Democrats and Republicans—Senator Baucus and Senator Grassley were there—and urged us to pass FHA modernization. I haven't heard what the objection is, because FHA modernization passed the Banking, Housing and Urban Affairs Committee in the Senate by a vote of 20 to 1. We sought to pass the bill on the floor and Senate Republicans objected on November 15. On December 6, we tried again and again the legislation was blocked. What has happened since November 15 and today, about a month later? Hundreds, probably a hundred thousand, certainly tens of thousands more homes have gone into foreclosure, housing prices have declined further, credit markets are shaky, and the plan that the administration came up with, which assiduously, ideologically, and narrowly avoided any Government involvement, has been widely discredited and has brought no confidence in the credit market. The President's program became even more critical yesterday—the need for the FHA modernization—when it was revealed that the administration's program, FHA Secure, activated in November—guess how many borrowers it helped. Hundreds of thousands? Tens of thousands? No! It helped 541, when we are expecting 2 million font奔跑。Looking to only a few hundred families and saying you are doing something is incomprehensible.

I hope we will move this FHA legislation. As I said, it is supported by the President and by Secretary Paulson. It is the mildest of measures. It can't be too bad if President Bush is for it. That is not my view, but I am trying to persuade my colleagues on the other side of the aisle. This FHA modernization will help in a small way. We have to do other things. The bill Senator Brown, Senator Casey, and I have put in the appropriations bill, with Senator Murray's help, for $200 million to help families get out of foreclosure makes sense. Congressman Frank and I have a bill to help Fannie and Freddie to help with the foreclosures, which is legislation that is needed as well. But at least this is a first step. Yes, it is Government, and if you are a hard right ideologue, I guess you say the ideological purity of keeping Government away from everything is more important than helping innocent victims keep their homes, more important than keeping our credit market in good shape.

I hope my colleagues will join me. I hope so for the good of the country, though I believe politically they are marching down a path to oblivion and in the longer run it will help us get a better Senate to get things done—things that the American people demand.

At this point, I make a plea to my colleagues that this rather non-controversial—if you judge by the breadth of its support—legislation goes through on FHA modernization, ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 481, S. 2338, the FHA Modernization Act of 2007; that the Dodd-Shelby amendment at the desk be considered and agreed to; that the amendment be amended; that the motion be made at a time and passed; that the motion to reconsider be laid upon the table; and that any statements relating thereto be printed in the Record.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. COBURN. Mr. President, parliamentary inquiry: Under the rules of the Senate, when we ask for unanimous consent, as has just been asked, are we not saying we will not debate the bill, we will not offer the bill for amendments, and that we will take the bill as it is?

The ACTING PRESIDENT pro tempore. The issue is what is specified under the request.

Mr. COBURN. Which is not to debate the bill and not allow the bill to be amended. I will be happy to discuss my objections to the bill. They are small and deal with reverse mortgages, not the bill, as amended, be read the third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating thereto be printed in the Record.

The ACTING PRESIDENT pro tempore. Is there objection?
have a time limit on debate on this bill, with amendments limited to the substance of the bill so we can get the bill done.

Mr. COBURN. Yes.

Mr. SCHUMER. Let me discuss that with you and maybe we can move the bill. We are in the closing weeks of the session, so maybe we can agree to a reasonable time limit and reasonable amendments.

Mr. COBURN. I have no objection to that.

Mr. SCHUMER. I withdraw my unanimous consent request temporarily so I may discuss things with my colleague from Oklahoma.

The ACTING PRESIDENT pro tempore. Without objection, the request is withdrawn. The Senator's time has expired.

Mr. CORNYN. The Senator from New York said he would yield to me at the end of his statement.

The ACTING PRESIDENT pro tempore. The time of the Senator from New York has expired.

The Senator from Ohio is recognized.

Mr. BROWN. Mr. President, I thank Senator COBURN for his cooperation on an issue with Senator SCHUMER, something this body needs to move on. I thank both Senator SCHUMER and Senator COBURN. I wanted to talk about the same issue this morning for 5 or 6 minutes.

Thousands of families in Ohio are struggling to keep a roof over their heads during the upcoming Christmas season. My State has been in the grip of a mortgage crisis at some level for years, which shows no signs of letting up. Ohio is faced with one of the highest foreclosure rates in the country. Our largest cities are being particularly hit hard. Ohio's six biggest cities are among the 30 hardest hit in the Nation. It looks as if things may get worse before they get better.

What we do in Washington, or what we fail to do here, will have a profound effect on families in Akron, Cincinnati, Toledo, Columbus, and Cleveland. It is not just my State's largest cities; it is Portsmouth, Lima, and my hometown of Mansfield, Zanesville, Ravenna, and Marion. Every day, over 200 families in Ohio lose their homes.

A month ago, the majority leader, Senator REID, sought to bring up a bill that would modernize the FHA home loan program. The proposal was an effort to address the issue of mortgage foreclosures in Ohio and across the country. Our communities need FHA reform, and we need it now.

But that provision is imperiled by end-of-year obstructionism as well. Not one Republican supported Senator REID's effort to force an end to the Republican filibuster of the tax bill that included this provision.

Everything we have tried to do to help homeowners—from counseling funds, to FHA reform, to tax relief—has been blocked by Republicans. If President Bush is serious about helping homeowners, he will bring this to an end. The people of Ohio have waited too long for relief. They need our help. They need it now.

I yield the floor. The ACTING PRESIDENT pro tempore. The Senator from Maryland is recognized.

ALZHEIMER'S BREAKTHROUGH ACT OF 2007

Mr. MIKULSKI. Mr. President, wouldn't you like to find a cure or wouldn't you like to be part of an effort to find a cure for Alzheimer's? Wouldn't you like to be part of a Congress that helps save lives, helps people and families struggling with Alzheimer's? Perhaps there could be medicines for cognitive stretch-out for those who are facing some form of dementia? Wouldn't you like to give help to those practicing self-help, providing relief to hard-working caregivers?

I know you do, and I also know a bipartisan group of my colleagues want to do that. That is why I introduced the Alzheimer's Breakthrough Act of 2007. I started this work a couple years ago, working with my colleague, Senator BOND, who was then chair of the Subcommittee on Aging. Now I am working with Senator BURR. We passed out of the Health, Education, Labor, and Pensions Committee in July critical legislation, the Alzheimer's Breakthrough Act. It is pending on the calendar. We need unanimous consent to bring it up. I come to the floor today to ask my colleagues to give consent to move this bill forward.

This bill has two components: one is an authorizing component and the other a funding component. In the spirit of comity, I would be willing to actually divide the two because I know tax policy needs to be very sensitive in terms of the consequences.

Let me tell my colleagues what this breakthrough legislation does. It doubles Alzheimer's research at NIH. It goes from $640 million to $1.3 billion, giving researchers the resources to make breakthroughs. It
funds a national summit on Alzheimer’s so the best scientists in the country can come together and identify the most promising breakthroughs. We are not talking about long-term, longitudinal studies. We are talking about those that are at a point of significant breakthrough, that need help, and need a boost.

Also in our bill is the family caregivers support tax credit. It would create a $3,000 tax credit for caregivers with the extraordinary expenses of caring for someone who has a chronic condition, such as Alzheimer’s.

Why is this needed? Alzheimer’s disease is the tsunami on the horizon we cannot ignore. Today there are 5 million Americans living with Alzheimer’s disease. It is expected to triple in the next couple decades.

We know a lot about Alzheimer’s disease. It has been 100 years since it was first diagnosed, and though we know a lot, we do not have a cure, and maybe we won’t have a cure, but we certainly can have the breakthroughs for what we call cognitive stretch-out. For those people who are gripped by this terrible disease or another form of dementia and those who are in social work, they see this, they watch people say the long goodbye. We watched a gallant President and an incredible First Lady by the name of Reagan, in which the President had his long goodbye and the First Lady, Nancy Reagan, stuck with him every minute, every hour of every day until his final resting. We salute them. We know that when the President does not have the resources to deal with this disease, we have so much work to do for the little people. Knowing that President, he would want help for the little people.

We need a sense of urgency about Alzheimer’s. If we find a cure to delay the onset of the disease, we could save a tremendous amount in Medicaid and Medicare.

It is estimated that for every year we can have that cognitive stretch-out that enables people not to have to turn to institutional long-term care, we can save over $500 billion in both Medicaid and Medicare.

Should we even put a price tag on finding a cure, better and earlier diagnosis, faster creation of new drugs for people? Can we afford not to invest in this disease? I don’t think so.

Alzheimer’s is a terrible disease. I know it because we lived through it in our family. We watched prominent people get gripped by it. We know Alzheimer’s is terrible for the person living with it and we know it is an incredible drain on the caregiver both emotionally and financially. Our country last year spent over $120 billion in dealing with this disease.

I wish to come back to the caregiver. Usually it is a daughter, or son, or a spouse, who is the person caring for an aging parent or spouse. Often they need help with durable medical equipment and specialized daycare. It could add up to anywhere from $5,500 to $8,000 a year. Caring for a sick loved one means often you give up work, you reduce your work to part time or certainly take money out of your household.

We held a series of hearings on this bill, with Dr. Zerouni of NIH and Dr. Gerberding of the CDC and some of our most eminent physicians working on this disease. It was amazing because it was so energizing. Often when we think about Alzheimer’s, we think there is no hope and no opportunity to crack this disease, but there is.

What the scientists told us is there is now an array of medical possibilities for both the prevention of Alzheimer’s and also intervention that would enable people to have this cognitive stretchout.

I am using the words “cognitive stretchout.” Maybe it is a little too fancy. What it means in plain English is that if you, my God, you know night from day. I know for families that are gripped by Alzheimer’s, both the person with it and the person living with it experience a 24-hour day, because often with Alzheimer’s, that person gripped by it cannot tell the time. If we can stretch out that time where they still have their memory, still can function with the activities of daily living, still know whether it is 3 o’clock in the afternoon or 3 o’clock in the morning, still be able to recognize their grandchild and still be able to remember how to eat, what we call cognitive stretch-out.

This bill is pending on the calendar. We have a unanimous consent to go to it. I ask my colleagues, let’s have a vote. If they would like to separate out the tax credit aspects from the authorizing legislation, I would be more than willing to cooperate in the closing hours of this. I know on the floor is my very good friend and the Chair, Mr. Harkin, who chairs the Labor-HHS Subcommittee. He has been such a strong advocate of NIH, and we thank him for what he has done. But he needs help from those of us in the Senate to come up with these breakthroughs.

Mrs. President, rather than a parliamentary request asking consent, I know our cloakroom is circulating the request for a long and for a reply from our colleagues in moving this bill forward, but I ask our colleagues: Join with us and move this bill forward.

I yield the floor.

The Acting PRESIDENT pro tem. The Senator from Iowa is recognized.

CHRISTOPHER AND DANA Reeve PARALYSIS ACT AND TRAINING FOR REALTIME WRITERS ACT

Mr. HARKIN. Mr. President, I wish to speak on two bills that should have passed by unanimous consent because they are so widely supported, but there are objections to them by some Republicans.

The first is the Christopher and Dana Reeve Paralysis Act, and the other is the Christopher and Dana Reeve Paralysis Act. First, I am disappointed objections have been raised against the Christopher and Dana Reeve Paralysis Act on the other side. I do not speak for myself, but I speak on behalf of tens of thousands of Americans who suffer from paralysis and their families.

The Christopher and Dana Reeve Paralysis Act is a bipartisan bill. It is a fiscally responsible bill. It addresses a critical need to accelerate better treatments and one day a cure for paralysis. Currently, paralysis research is carried out across multiple disciplines with no effective means of coordination and collaboration. Time, effort, and valuable dollars are used inefficiently because of the problem. Families affected by paralysis are often unaware of critical research results, information about clinical trials, and best practices. The bill will improve the long-term health prospects of people with paralysis and other disabilities by providing funding for the coordination of information and support to caregivers and their families, developing assistive technology, providing employment assistance, and encouraging wellness among those with paralysis.

Mr. President, I wish to continue to be an objector to moving this bill forward. I negotiated this bill with my Republican colleagues on the Health, Education, Labor, and Pensions Committee before it was marked up in July. We received specific requests relating to the NIH. We accepted those requests. We moved forward. We removed the NIH reporting provisions in response to concerns that they were duplicative of reporting required by NIH already had. We responded to all the feedback from the Department of Health and Human Services and the NIH by incorporating both substantive and technical changes. At that point we were assured there were no objections. As a result of these good-faith negotiations, the bill passed out of the HELP Committee with no amendments. Given all of the efforts we made to meet concerns raised by Senators on the other side of the aisle, even that Senator gave us the opportunity to file amendments at that time but chose not to. I had every expectation that the bill would quickly pass the full Senate. Instead, it continues to be held due to Republican objections.

One of my Republican colleagues has said he will object to all disease-specific bills because he does not believe that Congress should be able to pass legislation specifically targeting the fights against cancer, ALS, Alzheimer’s, and so on. I strongly disagree with the Senator on this point. I believe Congress can and should be involved in setting national priorities in these fields. But putting that aside, the
fact is, the Christopher and Dana Reeve Paralysis Act is not a disease-specific bill. Paralysis and mobility impairment are not disease-specific issues; they are symptoms or side effects that result from numerous diseases, including traumatic brain injury, stroke, ALS, injuries from athletic activities, injuries, of course, from combat in the U.S. Armed Forces, and many others. So paralysis is not disease specific.

Now, what seems to be another objection to this bill. One of our Republican colleagues has said he will not allow any bills to pass by unanimous consent that include spending without an offset. Well, let me be clear: There is no funding in the Christopher and Dana Reeve Paralysis Act legislation. It is only an authorization that allows the Centers for Disease Control and Prevention to improve the quality of life and long-term health status of people with paralysis and other physical disabilities.

Our colleague from Oklahoma, Senator INHOFE, made this case very clear in his discussion of the Water Resources Development bill. He explained the significance between authorizing and appropriating. Authorization bills are not spending bills; they determine which projects and programs are eligible to compete for future funding and provide for congressional review and oversight. Authorization is the criterion for spending bills, but they do not contain direct spending. So any spending for the paralysis program authorized by this legislation will be subject to the annual appropriations process.

The Christopher and Dana Reeve Paralysis Act passed the House in October. It is long overdue for passage in the Senate. When I introduced this bill, Dr. Elias Zerhouni, Director of NIH, spoke in support of the bill, and let me read what he said that day.

So, really, as the Director of an institution that is committed to making the discoveries that will make a difference in people’s lives, I feel very, very, very pleased. At the same time I am humbled. In many ways the Christopher and Dana Reeve Paralysis Act is the harbinger of what I see as the combination of the public, the leadership, government, and in Congress, and the administration and government in our country that is absolutely unique, and humbled because at the same time, I know it contains a lot of expectations from our citizens, wants, needs. And at the same time I am humbled because in many ways the bill and the Public Law in that I know are going to benefit and are going to be better, and be the best for all our country.

So that is what Dr. Elias Zerhouni said on the day we introduced the bill. I agree wholeheartedly with Dr. Zerhouni. Progress is vital in science and biomedical research. It is also vital in the process to get these programs off the ground. But it is another piece of legislation. We have a duty to ensure due diligence in considering legislation. But for one Senator, or two Senators or three, to stall this bill, I believe without legitimate cause—if the objections are that it is disease specific, I have pointed out it is not. Secondly, if it is being held up because there is not an offset, I point out it is only an authorization bill, not a spending bill. If it were an appropriations bill, it would have been held up, but it is not. It is not a spending bill. It has been held up, but it is not a spending bill. It has been held up under a hold because of the Senate’s objection.

Let us be clear: By putting this bill on hold, Senators are also putting people with paralysis and their families on hold. It is a shame, I say to those Senators, I am not asking you to vote for the bill. If you don’t like it, you don’t have to vote for it. I am only asking you to allow the entire Senate to work its will. Do you not care for our fellow citizens who are living with paralysis? There are some 2 million Americans right now living with paralysis of the arms or legs, or both. Many others are living with multiple sclerosis. Hundreds of young soldiers are returning from Iraq and Afghanistan with spinal cord injuries and paralysis, facing a lifetime of disability. They should not be placed on hold. They shouldn’t have to wait. They shouldn’t have to have further delay. They should have this bill passed.

I urge my colleagues on the other side of the aisle to reconsider their decision to block this bill. As I said, I worked with Republicans before it went to the HELP Committee. We worked with the Department of Health and Human Services downtown, with NIH, and we met all their objections. We redrafted it and there weren’t any objections when it went through the HELP Committee. No amendments were offered. And if this legislation you would think would be subject to a unanimous consent procedure here on the Senate floor. It is a fiscally responsible bipartisan bill, as I said, that does not spend any money. It only authorizes.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator has just under 4 minutes remaining.

Mr. HARKIN. For 4 minutes. I also wanted to talk about the Training for Realtime Writers Act. On behalf of more than 30 million Americans who are deaf or hard of hearing, I express my deep disappointment that again one or two Senators on the other side of the aisle are blocking passage of this important legislation, the Realtime Writers Act of 2007. Again, it is a bipartisan bill. It is fiscally responsible. It addresses an urgent national need that is real-time captioning. It does take some time for these professionals to get outstripped the supply, and when, in fact, the law of the land says that all programs have to be real-time captioned. For those who don’t know what real-time captioning is, these are the people, if you are in your offices and you are watching the Senate floor and you are sitting in the gallery, we took a little closed caption go across the bottom of the screen. That is someone sitting down here in the bowels of the Capitol watching what we say and, on a machine, typing the words so that if you are deaf or hard of hearing you can read what is happening. This is true on programs you watch on normal television as well.

Again, we all use that, I know, at different times. You don’t have to be deaf or hard of hearing to use closed captioning. But what has happened, and how this came about is very simple. In 1996, in the Telecom Act, it required that all English language television programs be captioned by the year 2006. All television broadcasts must be real-time captioned by 2006. That was last year. So it is now 2007, and many stations across the country are not in compliance with the law. As a result, a lot of deaf and hard of hearing Americans are not able to access the full range of television programming we take for granted. And why aren’t they compliant? Well, it is a legal requirement, but the fact is there are not enough captioners. I know that back when the bill was passed in 1996, that is why we gave it 10 years for implementation. And little by little we have been trying to get more real-time captioners, but we don’t have them.

This bill is an effort to bolster that program and to put focus on it. Again, it is an authorization bill. It is an authorization bill. It authorizes the creation of a competitive grant program to train captioners at the funding level of $20 million a year for 5 years. So, again, it is an authorization bill, not an appropriations bill.

There has been a shortage of real-time captioners. And you might say, well, if there is a shortage, why aren’t there more people? Well, a lot of people don’t know about it. They don’t know about the demand. We need the training and expertise. This is a difficult job. I mean, our stenographers here, who take down our words, have a difficult job. But at least they have time to go back and print it out after they put it into the machines. A real-time captioner has to listen and watch what we are saying and put it on immediately. So it takes a lot of expertise and training to do this.

This act authorizes, again, the funding. It creates no new entitlements. It sunsets after 5 years, because once we get a number up across the country teaching this, I have no doubt that we will have enough in the pipeline. And let me point out that this bill passed the Senate by unanimous consent three times before, only to languish in the House of Representatives.

The PRESIDING OFFICER. The majority’s time has expired.
Mr. HARKIN. Mr. President, I ask unanimous consent for 2 more minutes.

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

Mr. CORNYN. I would ask that 2 more minutes be added to my time; otherwise, I have no objection.

The PRESIDING OFFICER. Without objection, 2 minutes will be added to the Republicans' time as well.

Mr. HARKIN. Again, the House indicated they would take it up. It languished here. It passed the Senate, as I said, by unanimous consent three times already. Again, it is time to keep the promise that Congress made to 30 million Americans in 1996. I would hope we would pass the Realtime Writers Act, and let it go through, and with unanimous consent, as it has done three times in the Senate before. I would ask those who have a hold on the bill, are they saying that 100 Senators before, who let this legislation go through, didn't know what they were doing? We all have staffs, and we all pay attention to what legislation goes through here. I think it is indicative of the support we had on both sides of the aisle that the Realtime Writers Act, as I said, passed by unanimous consent three times in the past.

I wanted to talk about these bills because again I think they are both widely supported. We have worked out agreements with people in the past, and I don't think there is any real legitimate reason to keep a hold on these bills and not let them pass.

Mr. President, I ask unanimous consent that the Senate take up and pass Calendar No. 320, S. 1183, the Christopher and Dana Reeve Paralysis Act, and Calendar No. 291, S. 675, the Training for Realtime Writers Act.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Mr. President, I object to both, and I will give my reasons why during our time.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. Mr. President, as part of my closing remarks, in case an objection was raised to the Training for Realtime Writers Act, I want to say this is something that can be done already by the administration, but I would point out that they have not done it in 10 years, either Democratic or Republican Presidents. Quite frankly, they are not focusing on it. They have said they can do it as part of their high-growth job training initiative, but they haven't done it. That is the point of the objection. They have not done this.

And for those interested in earmarks around here, 90 percent of the money in the high-growth job training—

The PRESIDING OFFICER. The majority's time has expired.

Mr. HARKIN. Well, I want to close with 30 seconds, by saying that 90 percent—

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

Mr. HARKIN. Ninety percent of the money is noncompetitive. Over $235 million over 6 years has gone out in noncompetitive grants, and not one penny for real-time writers.

Mr. President, I yield the floor.

Mr. CORNYN. Mr. President, may I ask how much time remains on this side of the aisle in morning business?

The PRESIDING OFFICER. There is 90 minutes 16 seconds.

Mr. CORNYN. I would ask that the Senator from Oklahoma, Senator Isakson, the Senator from Georgia, Senator Craig, the Senator from Idaho, Senator Craig, for the first 40 minutes on this road.

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

The Senator from Oklahoma.

DISCONTINUING BUSINESS AS USUAL

Mr. COBURN. Mr. President, this morning we have heard about a lot of good causes and a lot of good bills. But to what we have told to pass the bills with no debate, without the opportunity to amend, and we just heard a Senator say we could agree to a UC and not have to vote on it. Agreeing to a UC is the same as voting yes. The fact is, we have had plenty of time to bring up all these bills, put them on the floor, debate them and have great debates so the American people become informed, and offer amendments.

I will say for myself, for all these bills, I am the Senator objecting. Senator HARKIN knows I am objecting to the two bills he just raised.

The point is, our debt is rising $1 million a minute. When you authorize $100 million for the Realtime Writers Act, what you are saying is, I intend to get the money out of the appropriations process to develop training for something that the market should already be inducing through increased wages. If the market can't agree that it is the market not taking care of it? Is it because the pay is too low? Maybe the pay ought to be higher. Maybe people ought to go into it. Instead we are going to inject $100 million of American taxpayers' money into something that will be sold through the market.

If it is not, then the pay is entirely too low and the market will eventually adjust to it. But to say we are going to authorize something with no intent to ever spend, that is not the intent of an authorization. The intent of an authorization is to spend more money.

At $1.3 billion a day, we are going into debt, and it is not our debt. We are transferring it to our children and our grandchildren. To come down here and want to authorize and spend and pass without debate and pass without amendment multitudes of bills with no debate is to say, in other words, take it or leave it. And if you want to amend it or you want to have a chance to vote on it, tough luck; we are going to do it without you. It is called "UC."

The fact is, we find ourselves $9 trillion in debt now. The fact is, our children are facing $79 trillion worth of unfunded mandates. It is time that we change the business in the Senate. To come down and claim you want to just authorize but not spend is a hoax because you would not be authorizing unless you do spend.

The other thing the American people ought to know is, out of the over $1 trillion in discretionary budget that we spend right now, $280 billion of it is not authorized. The appropriators totally ignore the authorizers. When it comes to appropriations, they appropriate whatever they want. So it doesn't have to be authorized to get it done. They will appropriate it if they want to do it. They don't pay any attention to authorization.

When we have $8 trillion worth of authorized programs now, to say we cannot eliminate some program that is not being funded to be able to make room for one that should be funded, and to say we should not have to do that, that doesn't pass the common sense test with the American public.

I understand that is irritating and bristling to the way we have done things in the past. I apologize if at times I am irritated and irritating, but I think the facts are on our side, and the facts are worth it. I do not think we can continue doing business as usual.

We have seen an ALS bill come down. The CDC doesn't want the ALS bill, the registry, and the reason is they can already do it. If we were to read an ALS bill, we ought to do it for all neurologic diseases in terms of a registry, not just one. What we have decided is a celebrity or an interest group can come and we will place a priority there. Regardless of what the science says, regardless of what the basic science and the pure science says in terms of guiding us where to go on diseases, we will just respond. We will create a new program, and we will tell NIH where they have to go, or CDC where they have to go when science doesn't guide them there.

If we are going to do that, if we really think as a body we ought to be going the disease-specific direction, then why don't we do it all? Why don't we say we will do the peer-reviewed science on all the programs at NIH? Since we are going to pick the ones that have a cause behind them, why don't we do them all. Why don't we let the lobby—is it us which does it? First? Of course, we wouldn't do that because we know the scientists at CDC and the scientists at NIH make decisions, not on popularity, not on politics, but on the raw science that will give us the best benefit for the most people. What looks good when we do those things? We do satisfy a yearning for those who are handicapped or paralyzed or have breast cancer or have colon cancer. But if we are going to do a registry for ALS, why aren't we doing one for diabetes? Why aren't we doing one for multiple myeloma? Why? Why aren't we doing those things? If we are going to pick one, if we are going to do
a neurological disease, let’s do it for all of them. It shows the shallowness of what we are trying to do. Our hearts are big, but we are not looking at the big picture.

The FHA we discussed. The component we object to I object to is that we have a study in the FHA bill that the GAO is mandated to do on reverse mortgages. But at the same time, regardless of what the study shows, we lift the cap. All I have asked for from the authors of the bill is to keep the cap where it is until we get the GAO study back so we know what we are doing, rather than responding to a clamoring which we have no basis, in fact, to know is the accurate thing to do; otherwise, we wouldn’t be asking for the study in the first place. It is a simple request.

Instead, we come to the Senate floor and try to make us, those who object, seem unreasonable when we say common sense would say if we have a study in the works, why aren’t we waiting? We are already ignoring what the results of that study may or may not be, to question that we should not have a debate about that, that we should not have an ability to amend that, that we should not say yes, that is not but what the Senate tradition is. This is a body that is supposed to be about debate.

In the past 31 days the Senate has been in session 15 days. We have had 10 votes in 15 days, and we have had 8 days without any votes at all. All these bills could have been on the floor and had accurate debate. I would have lost most of my amendments, based on the historical record of my amendments, but the American people would have benefited from the debate about those bills. Instead, we are made to look as if we don’t care if we want to try to improve a bill because we will not agree to blindly accept a bill to go through. We are told to say we don’t care about people who are losing their mortgages because we think there are some commonsense changes to a bill? That isn’t quite right.

You hear the reference that people vote or the committee voted or that there wasn’t an amendment. The fact is, on voice votes if you do not vote, you are not recorded because there is not a recorded vote. But that doesn’t mean you agree to bring the bill to the floor. We all know that.

The fact is, and you have heard me say it many times in this body, if you mean you agree to bring the bill to the floor. We all know that. We should just blindly say yes, that is not a recorded vote. But that doesn’t mean you agree to bring the bill to the floor. We all know that. We choose to do it all, knowing that the future is at risk. We are on an unsustainable course, and we are seeing some of that played out in the mortgage market today. We are seeing some of that played out with the value of the dollar today. We are seeing some of that played out in the confidence of the American people on in the future and what they see, but in how they view us. We do, in fact, have an obligation to secure the future, and we do, in fact, have an obligation to make tough choices, priorities. Those priorities ought to be framed in the light of what the everyday American family has to do to frame their priorities.

Instead, what we have the habit of is not making any priorities at all because we take it all. We don’t choose. We don’t do it. We do not have an obligation to two generations from us. We will long be gone, but the legacy we leave will deny the very essence of this country.

The essence of this country is one generation sacrificing for the future, for the next. The legacy we are leaving is exactly the opposite.

So I beg some patience on the part of my colleagues on the other side of the aisle that, in fact, if we disagree on a bill going by UC, it doesn’t necessarily mean we disagree with the intent. It does mean that we think it can be improved or we think it can be held more accountable or, as the case of the SBA bills I am holding now, one of them is atrocious in terms of the money it is losing for the American people. Yet we are supposed to agree with those bills without amending or voting or debating.

I will be back to talk later in our time, and at the present time I yield. Mr. CORNYN. If the Senator will yield for a quick question?

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. I wanted to ask the distinguished Senator, earlier before he was able to come to the floor, there was a unanimous consent request offered with regard to the ALS registry, and I, on his behalf, lodged an objection, although I have no personal objection. I just want to ask the distinguished Senator from Oklahoma if it is his understanding it was on his behalf.

Mr. CORNYN. Absolutely. There is no question. I thank you for covering for me in that regard.

Mr. CORNYN. Mr. President, I understand why we find ourselves in this terrible posture today and why some people are calling this Congress the broken Congress, the dysfunctional Congress. If you look at the chart that was alluded to a moment ago about the last 31 days of the Senate, we have had 15 days of the last 31 days actually in session. We have had 10 rollcall votes. We have had 10 rollcall votes in the last 31 days. As a matter of fact, we should be having rollcall votes now on the farm bill, which is the bill I thought was before the Senate. But, instead, our colleagues on the other side of the aisle decided to put on this show for the American people to try to portray themselves as passing legislation, although they knew it could not be done in the manner in which they proposed—while we should be passing the farm bill.

Let me talk for a moment about the opportunities that they have squandered by their mismanagement of the calendar over this last year. I asked the Senator from Wyoming, Mr. BARR, if he would agree to a unanimous consent request, and also the majority leader, to help fund our troops who are in harm’s way during a time of war. They objected to that.

As a matter of fact, Republicans attempted to call up the Veterans appropriations bill before the Veterans Day holiday, and the Democrats objected to bringing it up that bill. Just to be clear, this is the appropriations bill that funds veterans affairs and military construction and is important not only to keeping our commitments to our veterans but to maintaining a decent quality of life for the families who are left behind while their loved one is in harm’s way in Iraq or Afghanistan and other dangerous places across the world.

Our colleagues on the other side of the aisle blocked that appropriations bill because they are blocking funding for the troops that is needed in order to avoid the 100,000 notices to civilian employees of the Department of Defense that they are going to be laid off. They are going to get those notices because they are working hard to be able to be laid off by mid-February unless Congress does the job it should have done a long time ago. That is not even to mention—which I will mention—the funding necessary for the Department of Defense to operate in Iraq and Afghanistan to root out al-Qaeda and other foreign fighters, Islamic extremists who are trying to kill American
soldiers and who, if given an opportunity to reorganize themselves in Iraq, would use that as another launching pad to carry out murderous attacks against Americans and our allies.

Just to be clear, the Senator from Illinois asked me to attend a meeting where the Secretary of Defense and Secretary of State were present. I explained, as I have just explained here today, what the situation would be like if we failed to act, and as a result of that explanation, we are not acting on a timely basis.

I ask unanimous consent to have printed in the RECORD a letter from the Deputy Secretary of Defense to the Republican leader that is dated December 7, 2007, signed by Gordon England to the Honorable Mitch McConnell.

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

DEPUTY SECRETARY OF DEFENSE,


Hon. MITCH MCCONNELL,

Republican Leader, U.S. Senate,

Washington, DC.

Dear Mr. LEADER, 10 U.S.C. 1567(e) provides that the Department of Defense "...may not implement any involuntary reduction or furlough of civilian positions... until the 4-day period beginning on the date on which the Secretary submits to Congress a report setting forth the reasons why such reduction or furloughs are required." In accordance with this statutory requirement, I am providing a report on potential furloughs within the Department of the Army, the Marine Corps, and the National Guard.

As you are aware, the FY 08 DoD Appropriations Act did not provide funds to the Department for the Global War on Terror (GWOT). In my November 6, 2007 letter to the Senate and House Appropriations Committee leadership, I emphasized that without this critical funding, the Department would have no choice but to deplete key appropriations accounts in order to sustain essential military operations around the world.

Without funding, only operations and maintenance (O&M) funds in the base budget are available to cover war-related costs. O&M funds also cover salary costs for a large number of Army and Marine Corps civilian employees.

The Army and Marine Corps currently estimate that the fiscal demand on O&M funds to cover both normal operations and GWOT costs will result in depletion of the Army's O&M funds by about mid-February and the Marine Corps O&M funds by about mid-March 2008. As a result, Army civilian employees, who are paid from Army O&M accounts and Marine Corps civilian employees, paid from Marine Corps O&M accounts, will at that point be furloughed. Affected employees are located throughout the United States and overseas.

The furlough will negatively affect our ability to execute base operations and training activities. More importantly, it will affect the critical support our civilian employees provide to our warfighters. Support which is key to our current operations in both Afghanistan and Iraq.

Accordingly, the Department will issue potential furlough notices to about 28,000 affected civilian employees next week. Specific furlough notices will be issued in mid-January. The Department will also be notifying other organizations.

While these actions will be detrimental to the nation, there are no other viable alternative ways to provide adequate funding to meet our commitments.

Mr. CORNYN. Mr. President, as the letter makes clear, while the Department of Defense has the ability to fund the GWOT—around March for the Marine Corps— this comes at great expense to those in the Department of Defense, both in and out of uniform. The only reason the Department of Defense can basically rob Peter to pay Paul in terms of paying its bills is because other activities will not be funded, to include training, repair of equipment, and salaries. This letter makes clear that under the current law, furlough notices must soon be issued, potentially right around the time Christmas hits.

This is not any way to run the business of our Nation. Unfortunately, because of the way our colleagues have led the Senate, we have considered a tremendous opportunity to solve the problems the American people sent us here to solve.

We have had 66 votes on cloture motions—in other words, efforts to force legislation down the throat of the minority—required for debate or amendment. That is a guaranteed recipe for failure. As everyone in this body knows, under the rules of the Senate, neither the majority nor the minority can have their own way without bipartisanship in the chamber. The way to get things done. But, rather than get things done for the American people, what we have seen is a "my way or the highway" approach on the part of the leadership on the other side of the aisle. That is the reason we have had 63 votes, 63 votes so far this session, on the war in Iraq, with various attempts on the other side of the aisle either to attach strings to that money or to impose arbitrary deadlines on our commanders in the field or what I would submit is basically to insist on surrender dates.

These are the same folks who called the surge a failure before it even started. They have said they supported the troops but yet, when it comes time to show their support, by making sure they have the funding for the equipment and the training, to pay salaries, and to maintain a decent quality of life for their loved ones who are left behind, instead of acting on that stated support for the troops, have failed to act.

I know the other side of the aisle has given us a copy of various unanimous consent requests to give us fair notice of their intention to ask for unanimous consent, and we have done the same.

On behalf of this side of the aisle, I would ask unanimous consent that the Senate proceed to the immediate consideration of S. 2383, which is funding for military construction and veterans affairs.

I further ask unanimous consent that the bill be read a third time and passed and the motion to reconsider be laid upon the table and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, on behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CORNYN. Mr. President, I am disappointed to hear the objection. This is the same Veterans appropriations bill and Military Construction bill that was passed this summer by the Senate and this summer as well by the House. Why is it that it has been delayed all this time? This is funding for the very veterans who have sacrificed so much and given so much in the service to this country who are being told: No, we are going to hold that money back because essentially you are part of our political plans to put together a huge Omnibus appropriations at the end of the year and try to force the President to accept bloated Washington spending, when, in fact, there is no objection to passage of that Veterans bill or Military Construction bill, and it should be passed today by unanimous consent without further delay.

Mr. President, I have one other unanimous consent request I would like to offer. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3997, a bill to provide tax relief for our troops. I further ask that the amendment at the desk, which is the text of S. 2340 and provides for full funding of our troops, emergency funding for our troops, be agreed to and that the bill, as amended, be read a third time and passed.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, on behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CORNYN. Mr. President, I regret the obstruction on the part of the majority. This provision, the Heroes Earnings Assistance and Tax Relief Act, would ensure that our military members are treated fairly under our own tax laws. It would make clear that combat pay can be treated as income for purposes of qualifying for the earned-income tax credit. It would also make improvements to the rules regarding survivor and disability payments, and continue to provide pay and benefits to National Guard and Reserve members called to Active Duty. I have already mentioned the component of it that would provide full funding on an emergency basis to our troops. I further ask who are currently fighting and, unfortunately, some being wounded and dying in service to their country and protection of our freedoms, which has now been objected to once again.

I will finish my remarks for this period where I started and say that we have squandered our opportunities to govern. The only way you can govern...
in the Congress is by building a gov-
erning coalition. Democrats working
with Republicans to try to solve the
Nation’s problems. When one side or
the other tries to jam their agenda
down the throat of the other side, it
does not work, and exhibit A is the dis-
mal record of this broken Congress
during this last year.

I see why our colleagues on the other
side of the aisle are getting nervous,
why their desperation to pass legisla-
tion is beginning to show, because they
really do need the opportunity to
lead, they realize they had the oppor-
tunity to govern, but they have squan-
dered that opportunity. So now, in the
last week and a half before the Christ-
mas recess, they are out here trying to
act as if the minority has obstructed
them, when, in fact, if they had only
met us halfway and worked with us to
solve some of the big issues that con-
front our country in a bipartisan and
constructive way, we would have met
them halfway and we would have solved
many of those problems.

Mr. GREGG. Would the Senator yield
for a question?

Mr. CORNYN. I will.

Mr. GREGG. I was wondering, is it
not true that this Congress, none of
the appropriations bills, which is the
business of actually operating the Gov-
ernment—appropriations bills being
the bills which fund things like edu-
cation, things like health care, things
like energy issues, none of the appro-
piations bills have passed the
Congress in time to meet the fiscal
year?

Mr. CORNYN. The distinguished Sen-
ator from New Hampshire is exactly
correct. My recollection is only 1 out
of the 12 appropriations bills has actu-
ally been signed by the President, and
that was after the fiscal year ended,
meaning that essentially Congress is doing
what no business, what no family could
get away with; that is, basically to pay
what no business, what no family could
afford to do for the
world of Washington, the focus on get-
ing something done, something done for the
American people gets lost.

Well, I wish they had heeded their
own advice because what we have to
show for this last year is very little, in-
deed. Failing to take care of our most
basic responsibilities, as the Senator
from New Hampshire has pointed out,
to fund the Government on a timely
basis—the fact is, we find ourselves in
a terrible position now, with just a few
days remaining until the Christmas
break to get that work done.

Mr. GREGG. If the Senator would
yield further for a question?

Mr. CORNYN. I would.

Mr. GREGG. My first two questions
were sort of to lay the predicate for
this question, which is that the other
side of the aisle has spent a lot of time
saying the minority is obstructing, the
Republicans are obstructing. Yet was it
not by conscious choice that they de-
cided to create a legislative calendar
which was tailored to ignore by their
desire to make political points over the
issue of how the war in Iraq was pro-
ceeding rather than to take up the ap-
propriations bills, which are the proper
order of the Congress, one of the first
responsibilities of the Congress? The
Republican side of the aisle has not
resisted going to appropriations bills; it
has been the other side of the aisle
which has refused to bring them up.

Mr. CORNYN. Mr. President, I agree
again with the statement made and re-
spend in the affirmative to the ques-
tion propounded by the Senator from
New Hampshire. This Congress has
spent 11 months holding Iraq political
votes that have had no chance of be-
coming law.

We have had 63 votes thus far this
session. In the meantime, while the
majority has been fiddling, the busi-
ness of the American people has not
been done. I think about the issues be-
sides those of national security that
cry out for solutions, things such as
border security and immigration re-
form. Couldn’t we have used some of
this time more constructively to solve
one of the biggest domestic issues con-
fronting the country today? How about
energy policy? We have an energy bill
that raises taxes on domestic producers
and encourages our dependence on for-
eign oil, when we could have worked
together to pass an energy policy that
would have prepared us for the future.
We have not done that. Health care,
which is a tremendous concern of my
constituents in Texas and elsewhere,
we could have acted to deal with the
health care access cost and quality cri-
sis in this country, but we have not.

I know there are other colleagues
who wish to speak.

I reserve the remainder of my time
and yield the floor.

The PRESIDING OFFICER. The Sen-
ator from Georgia.

Mr. ISAKSON. Mr. President, I wish
to follow up on the exchange between
the Senator from New Hampshire and
the Senator from Texas in a different
context. I am sure the theatrics of this
morning are entertaining for a few. But
for me, they are illustrative of how a
broken Congress has real ramifications
for the people of the State of Georgia.
I hold this seat in the Senate because a
majority of Georgians sent me here to
vote on their behalf and act on their
behalf. But the way in which this ses-
ion has been managed, the way in
which certain pieces of legislation have
been managed, then when we even are
debating this morning in 3 hours of
morning business when we
should be on the farm bill is causing

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pain and suffering to the people I represent. I wish to put meat on those bones.

First, I wish to talk about the veterans bill mentioned by the distinguished Senator from Texas, a bill nobody bothered to object to and kept it from coming to the floor. It still has not come. It has been objected to this morning. What is the ramification of that on Georgians? The VA hospital in Atlanta, GA, on Clarenmont Road is a great VA hospital that has been there for years. It has been in terrible need of repair. Three years ago, the Congress authorized and appropriated the money to remodel all the floors of the VA hospital in Atlanta, where today hundreds of veterans of Operation Iraqi Freedom, all the way back to the Korean war, are being attended to. In the last 3 years, three of those floors were redone, but they didn’t get the other three done, and they are waiting to be done.

The money, $20,552 million, is in the bank, but the authorization that was passed 3 years ago has expired. As the Chair knows, we don’t appropriate without an authorization. We are not supposed to do that. We don’t appropriate without authorization, the money is frozen. The ramifications of holding the veterans bill to real Americans, real Georgians, real heroes who served this country in uniform is that those floors set to be remodeled are held up, but some sit there unremodeled. The new equipment, new technology, everything that is in there for veterans is held. The money is in the bank, already appropriated. All we have to do is the authorization. It is in a bill nobody objects to when you talk to them. But continuously it is objected to on the floor of the Senate.

I wish to talk about the ramifications of messaging. There is a new technology going on now. Instead of sending back a conference report to which a point of order can be raised—I know that is technical jargon—you send a message. You either have to vote up or down. You don’t have a chance to amend or to make a point of order. Let’s take the Energy bill going back and forth akin to a ping-pong ball. Most recently it came to us as a message, unamendable and no point of order, and we can’t debate the dirty little secret that the renewable portfolio standards in the Energy bill benefits certain parts of the United States and is punitive to others. I happen to represent one of those States to which it is punitive. How punitive is it? It is so punitive that by 2020 it will have cost the ratepayers in the State of Georgia and to the EMCS in our State $8.2 billion. So the tactic being used does not allow me to make that point on the floor or make a point of order or bring it to debate but asks all of us to agree to a proposition that has been thoroughly vetted, and we have been voted out of committee; in the case of EPW, voted out unanimously.

I understand the omnibus bill is coming to us as a message as well. There is an amendment in the omnibus bill which is punitive to the State of Georgia. It has been put in outside the process of the committee system and out of the accountability. They have not gone to have a chance to even raise a point of order on that particular amendment. In fact, as the Senator from New Hampshire observed, we didn’t pass but one appropriations bill by the time the new fiscal year took place. We have been going back and forth because, instead, we spent most of the year debating 62 separate votes on whether to withdraw our troops from Iraq. In fact, I find it sad that in the 6 months that debate has been going on, the surge has worked by everybody’s definition. Progress in Iraq has been of a tremendous advantage. The men and women who have sacrificed and accomplished it and are fighting there today are looking at us and saying, why are you funding the military. It is not only wrong, it is sad. It is time we had an appropriations process that worked in the Senate, not one that is broken.

It is time we address the ideas such as Senator Domenici’s biennial budget, where you appropriate in odd-numbered years and you do oversight in even-numbered years. Wouldn’t it be fun to see an even-numbered year election for Congress or President where the debate wasn’t over who was going to appropriate to make you happy but instead the savings I was going to find to make our country run better? Senator Domenici, who is leaving us at the end of this year, has a great proposition. It ought to go. We ought to be appropriating money by the time the fiscal year starts.

The real effect on real Georgians with the process now is that in December of 2007, in the first quarter of the fiscal year 2008, we have Government appropriations policy based on an appropriations bill passed in 2006. The body of knowledge doubles every 7 years. We are still 2 years behind on our appropriations process. Why? Because of the dilatory tactics, because of the thematic debates, and all because one side wants to leverage against another, to the detriment of real people.

Lastly, I wish to talk about the real damage of a broken Congress on the process. I wish to talk about the executive session. In the Executive Calendar, there is a list of any number of appointees to any number of positions in the Government—judicial appointees, Department of Homeland Security appointees, Tennessee Valley Authority appointees, hazardous and chemical waste oversight board appointees. All those appointees have come out of committee; some of them from the committee I am on, Environment and Public Works. They have testified before the committees. They have marked up, been approved to executive session. They have been thoroughly vetted, and they have been voted out of committee; in the case of EPW, voted out unanimously.

Last Thursday, there was a move to pass this list, still on the calendar, by unanimous consent. Remember, all these appointees have gone through the committee process. They have been vetted. They have been voted on. They have been confirmed. They all have committed themselves to all the questions we could possibly ask. Yet there was an objection last week. So what is the pain and suffering to the American people? In those four States where judges were asked to be approved, they continue to have these judicial confirmations. Criminal cases, a backlog of critical cases.

To me and the Members of this body who represent areas that are served by the Tennessee Valley Authority, Congress finally fixed the TVA 2 years ago, got it under new management, into a good system, ran it like a business, appointed a significant board, and now it is time to reappoint three of those members or reappoint two and add one new one from Georgia, I might add. What is the objection? Somebody says: I object. We are objecting to the American people’s business, are objecting to the progress of what this Government was set up to do.

The broken Congress of 2008 has real consequences, not for me but for the people of my State. I will stay until Christmas or New Year’s and repeat what I have said until somebody throws the light switch and understands the games we are playing don’t affect us; they affect the people who serve here. In the case of the four examples I have given, they affect them negatively.

To that point, I would like to make two unanimous consent requests. The first one is going to be with regard to the TVA board. I wish to repeat one thing I said. They all were approved unanimously. Two of them are reappointments. They are all fine people. TVA has reduced its debt under new management. Congress worked hard to pass this 2 years ago. It is time to have these people seated and working.

I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 404, 405, and 406; these are three nominations to be members of the board of directors of the Tennessee Valley Authority. I ask consent that these pending nominations be confirmed en bloc, the motions to reconsider be laid upon the table, and that the President be immediately notified of the Senate’s action. I finally ask consent that the Senate then resume legislative session.

The PRESIDING OFFICER. Is there objection?

Mrs. MURRAY. Mr. President, on behalf of majority leader. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ISAACSON. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations to the judiciary: No. 373, John Tinder to the U.S. Circuit Court for the 7th Circuit;
No. 392, Amul Thapar, to be U.S. district judge for the Eastern District of Kentucky; No. 393, Joseph Laplante, to be U.S. district judge for the District of New Hampshire; and No. 396, Thomas Schroeder, to be U.S. district judge for the Middle District of North Carolina.

I ask consent that these pending nominations be confirmed en bloc, the motions to reconsider be laid upon the table, and the President be immediately notified of the Senate’s action. I further ask that the Senate then resume legislative session.

The PRESIDING OFFICER. Is there objection?

Mrs. MURRAY. On behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ISAKSON. I understand the Senator from Washington is acting on behalf of her leader. I respect that. But the point I have tried to make in my speech is this: There are seven individuals, four of whom in the judiciary in four States could be processing criminal cases, taking appeals, making the justice system of the United States work. We all know the backlog in the courts. The Presiding Officer has indicated that the judges have heard him talk about that very question. Then the three that were objected to on the Tennessee Valley Authority were approved unanimously. All we are saying to one of the biggest providers of health care in the United States of America that was re-formed by this Senate less than 18 months ago is: You are not important enough for us to approve what has already been passed by unanimous consent in committee.

I submit that a broken Congress has real consequences. This Congress is broken, and the consequences are negative on the people of my State of Georgia and the people of the United States. I yield the floor.

The PRESIDING OFFICER (Mr. CASEY). The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank the Senator from Georgia and the Senator from Texas for their leadership. With that leadership comes a very clear voice about the problems this current Congress is facing. They are problems that are historic in character. I was once in the majority. It was the minority who said: We can do better. We can do better. We should do better. These are the Congress. In the last election, the American people listened and they changed the Congress. In the last election, the majority said: We can do better. What has happened to this Congress has failed to do.

I come to the floor to speak about two issues specifically. The assistant majority leader came to the floor earlier today and asked unanimous consent that S. 1233 and S. 1315 be allowed to come to the floor under unanimous consent or to come to the floor with debate and final passage. The reason he had to do that was before the Thanksgiving recess, I came to the floor and objected to the movement of those bills. The Senator from Oklahoma also now objects to the movement of those bills. I think it is very important that not only does the record bear why we objected but the American people clearly understand why we are objecting, because of our bills.

These are bills that deal with critical needs of America’s veterans. I was once chairman and ranking member of the Veterans’ Affairs Committee, and I am not going to suggest that I need to add anything or to support anything. I want America’s veterans. My responsibility is to make sure the services to our veterans get delivered in a responsible and timely way, that the truly needy service-connected and poor veteran gets served, and that the needs of those coming in out of Afghanistan and Iraq, who then become veterans out of our active service, are met in an immediate way. That is the responsibility of this Congress. It is not to keep adding and adding and adding new programs that may or may not be necessary and adding and adding and adding billions of dollars that anyone in service to veterans can say is at best questionable. It is for those reasons that I objected to those bills.

Now, let me break down why because there are some very real issues here. S. 1233 is an important piece of legislation that a majority of those of us who supported the legislation to begin with agreed to. It is called the Veterans Traumatic Brain Injury and Health Programs Improvement Act of 2007. Any bill with that title would capture your imagination. One of the great concerns we have today is the traumatic brain injury and our disabled men and women in service are coming out of Iraq with, especially because of the types of bombs that are being used over there. Oftentimes, this kind of injury does not show up in a veteran until he or she becomes a veteran.

If you look down through the priorities of that bill, you look at increased veterans’ travel benefits—yes, rural veterans coming to veterans centers to be served; a major medical facilities project; adding to the expanded services for veterans; professional scholarship programs; extended time for preferred care; help for low-income veterans; traumatic brain injury program enhancement; assisted-living pilot program enhancement—all of those very valuable and very meaningful, strongly supported by the Veterans’ Affairs Committee and strongly supported by this Senate.

What happened at the last minute was that a Senator on the other side added a new program. They said: We are going to allow Priority 8 veterans to become eligible for the full service of health care under the veterans health care system. What is a Priority 8 veteran? A Priority 8 veteran is one who has no service-connected disability or injury or health care concern. Did they serve? Yes, they served. Did they sustain any injury or physical needs as a result of their service? No. Are they at the poverty level or below? No. They are above it. And in most instances—in fact, in a high percentage of them—through their own employment, they have health care.

So for a good number of years, because of costs, we relate veterans issues and Presidents and Secretaries of the VA have said we will not serve them. They will not be eligible for the full benefits. This President, President Bush, said: I will make them eligible for health care. It is a small fee, a couple hundred bucks a year, to have access to the greatest health care program in the world. The minority at that time, the Democrats, said: No. They get it free of charge or they don’t get it.

Well, all of a sudden into this very valuable bill they parachuted Priority 8 veterans. What does that do? Well, if you go talk to the Secretary of the Veterans Administration, they are going to tell you that it might cause a substantial problem. Why? Because all of a sudden in this health care system there could be 1.3 million more Americans eligible for health care—not planned for, not anticipated, not budgeted for, but perhaps we believe all in the name of trying to show a concern for veterans and to demonstrate that maybe we are a little more sensitive than the other side.

What does that mean? Well, it also means the potential of between $1.2 billion more expended in 2008 and up to $8.8 billion more by 2012. Did they fund it? No. Have they stuck it in the bill? Yes. Are they trying to create a priority? Yes. Are they trying to create a new expenditure? Yes. And I said: No. Let’s serve our poor and our needy and our disabled first and our traumatically brain injured and our post-traumatic stress syndrome veterans. Let’s serve them now. Let’s put money into the bill to do that.

So the Senator from Texas talked about the VA-MILCON bill that is right at the desk right now, sent out by the ranking minority member of the VA-MILCON Subcommittee, on which I serve. Appropriations, Senator Hutchison. We are trying to get a vote on it. That bill—that bill alone—has nearly $8 billion worth of new spending in it for veterans. That is a near 17.5-
to 18-percent increase over last year. I believe it can be said, other than defense, to be the largest increase in a budget of all of Government for this year. But the money I am talking about, the new money for Priority 8, is not even in that one. All of those are needs that are in the bill that we are being told cannot be passed, that we keep trying to get a vote on, does not even include the $1.5 billion to $8 billion necessary to fund this new program for veterans who are not living here, who are not service connected, and who have not been eligible for a good number of years.

That is why we are saying no. You take Priority 8 out of this, and the Veterans Traumatic Brain Injury and Health Programs Improvement Act, S. 1233, could pass, and it would pass on a voice vote because the Senate—Democrats and Republicans—have always supported our veterans. But we will not nor will I allow us to get caught in the game of one side saying we have a war in Iraq, and we have a third reason, and on the other side that we have a war nobody likes and a President who is not managing it well, and then on the other side you have the Senators who say we are not taking care of our veterans. I reject that, and I reject it totally for these reasons.

While I was chair and ranking member of the Veterans’ Affairs Committee, and throughout the Bush administration, we have increased the funding for veterans on an annualized basis anywhere from 10 to 12 percent. When I talk about the legislation bill that is at the desk for veterans being a historically large increase, well, the one the year before was a historically large increase. We have never ducked our responsibility to veterans. But we must prioritize, and we must focus on the truly needy, and we must focus on those who are coming out of Iraq and Afghanistan and traumatic brain injury and all of those who continue to suffer today. That is the first bill, and it will be objected to. We will take out those kinds of add-ons.

Let’s talk about the second bill. The second bill is S. 1315. Now, that is an interesting bill because if you look at it on its face value, you say: Yes, that makes some sense. We are going to give a veterans’ benefit enhancement to a certain class of veteran. Let me tell you who that veteran is.

The bill includes roughly $900 million in new entitlement spending on an array of veterans’ benefits. But what is interesting is, it is moving money away from poor, elderly, disabled and wartime U.S. veterans. It is taking effectively $2,000 annually from our veterans and moving it over to a veteran who does not even live in the United States and is not a citizen of the United States—a Filipino veteran.

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. CRAIG. Mr. President, I ask unanimous consent for 3 additional minutes.

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

Mr. CRAIG. Why I object to this—and I call this bill the “Robin Hood in reverse” bill—is quite simple. If any of you have watched the Ken Burns PBS series “The War,” there is one whole segment of that about the war in the Philippines, the Filipinos who came to fight with Americans and even serve in American uniforms in defense of their land and ours during World War II. They did not become American citizens. They were Filipinos, and they have always received benefits. But this bill not only takes away money from our veterans, our poor veterans, because of a court case and is giving it to them.

Here is my problem. First of all, they do not live in this country, and they are not U.S. citizens. They are currently receiving benefits. But for the average U.S. veteran, their benefits, right now under law, cannot exceed $10,929 a year. That is roughly 24 percent of the average U.S. household income. Our men and women in the Armed Services give us their life. This bill gives to a veteran—a non-U.S. citizen, living in the Philippines—100 percent of the average household income in the Philippines. They are taking that money away from our veterans and putting money away from our veteran living in the Philippines. Now, let me say, and let me be very clear, Americans have treated Filipino veterans fairly. After the war, the United States provided $230 million—or $8.7 billion in today’s dollars—to repair the Philippines. The United States provided $22.5 million—$196 million in today’s dollars—for equipment and construction. We have a hospital in the Philippines, and Filipino veterans legally residing in the United States—in the United States fully eligible for all VA veterans’ benefits based on their level of service. Survivors of Filipino veterans who died as a result of their service are eligible for educational assistance and all kinds of programs.

That is why I object. First of all, because we are taking money away from our veterans, but also because we have been more than generous since that war ended to our comrades, the Filipinos, who fought side by side with American men and women, who were in the Philippines at the time, after we were able to reclaim the Philippine Islands. So we have done wonderfully by them, and we have been very supportive of providing them with programs.

Remember, the average U.S. veterans’ benefit—24 percent of U.S. average household income—is limited. Yet we are taking that money away from them now, giving it to Filipino veterans who are non-U.S. citizens, and increasing their benefit to over 100 percent of the average household income in the Philippines. U.S. dollars spent in the Philippines at that amount lifts—there is no question about it—lifts that Filipino dramatically. The question is, Is it fair? Is it equitable? My answer is, It is not. I offered to say, yes, we can bump them a little bit, but let’s take the rest of this money and put it into educational benefits for our veterans coming out of Iraq and Afghanistan. The answer in the committee was no.

So that is why these bills are in trouble on the floor. They have loaded them up. They are too heavy. The tires are blowing out from under the trucks and we are blowing out from under the bills simply because there is too much. In the instance of this, Disabled American Veterans—that great organization which is a loud spokesperson for our veterans—is saying: Whoa, wait a moment here. Enough is enough, and this is too much. They themselves oppose this legislation as it is currently written.

So here we have a funding bill on the floor with a 17.5- to 18-percent increase over last year’s funding for veterans, and we are not allowed to vote on it. We have funding at the highest level ever for America’s veterans, as we should and as we must, but these bills take us well beyond it in an unfunded environment or in one instance reaching into the pocket of our poor and disabled veteran and taking that money out and putting it into the pocket of a veteran living in the Philippines, who never became an American citizen, and who never came to this country, who has chosen to stay in his homeland. We cannot do this. This is a benefit well beyond what is even currently being offered to our own. Those are the fundamental reasons why we have objected.

I was pleased when the Senator from Texas said to the Senator from Illinois, the assistant majority leader: No. Yes, we will object, and we are not embarrassed about doing it, because there have to be priorities to our funding, especially at a time when the VA budget this year is also at an all-time high. But there is a point when enough is, in fact, enough.

I yield the floor to the PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CORKY. Mr. President, how much time remains in morning business on our side?

The PRESIDING OFFICER. Twenty-three minutes.

Mr. CORKY. Mr. President, in a moment I am going to yield and ask unanimous consent that the Senator from Alabama be recognized for up to 10 minutes, followed by the Senator from Wyoming, Dr. BARRASSO, for up to 10 minutes.

Mr. CRAIG. Would the Senator yield for a unanimous consent request for material to be inserted in the RECORD?
There being no objection, the material was ordered to be printed in the RECORD, as follows:

MINORITY VIEWS 

S. 1315 

The underlying legislation provides many important steps that will improve the health care services and benefits available to America’s veterans. I am particularly pleased that Title I takes many important steps which will improve the care provided to those veterans suffering with a traumatic brain injury.

However, in a few areas, I believe the legislation fails to improve the current benefits and health care system available for veterans, it in fact dilutes certain benefits available for service-connected veterans and may undermine the access and quality of care provided to the current users of VA’s health care system.

In closing, my concerns.

Repeal of the Regulation Concerning the Enrollment of Priority 8 Veterans

The underlying legislation repeals a regulation issued by former Secretary of Veterans Affairs, Mr. James J. Principi concerning enrollment priorities. That regulation prohibited enrollment into VA’s health care system by any veteran in Priority 8 status who had not enrolled prior to January 1, 2003. At the time Secretary Principi announced the new regulation, a VA news release stated:

VA has been unable to provide all enrolled veterans with timely access to health care services because of the tremendous growth in the number of veterans seeking VA health care.

In order to ensure VA has capacity to care for veterans for whom our Nation has the greatest obligation—those with military-related disabilities, or those needing specialized care like veterans who are blind or have spinal cord injuries—Principi has suspended additional enrollments for veterans with the lowest statutory priority. This category includes veterans who are not being compensated for a military-related disability and who have higher incomes.

Since that decision was rendered, many Veterans Service Organizations and individuals have written the VA to question the need to limit access to the health care system to all veterans. However, none has advocated abolishing the priority system developed under the Eligibility Reform Act of 1996. I recognize that the Secretary made his decision in 2003. Continuing that trend, the underlying bill does not repeal the eligibility prioritization structure created under the 1996 law.

Given that the statutory priorities for health care enrollment still exist, it would be reasonable to presume that the majority had made a determination that VA was now providing all currently enrolled veterans with timely access to quality health care. And therefore, the conditions which drove Secretary Principi’s earlier decision (an inability to provide enrolled veterans with timely access to health care services) no longer existed. The record, however, does not suggest that such a conclusion has been reached by the majority.

Instead, the record shows many Senators expressing concern about service members returning from Iraq and Afghanistan facing—what are often described as—lengthy waiting times for care. In the face of such assessments, the Senate Committee on Veterans’ Affairs could suggest that opening up the health care system to hundreds-of-thousands—if not millions—of new patients is wise and possibly necessary.

Moreover, it appears that the provision in this bill would open VA to new enrollees on the day the legislation is signed into law. There is no plan required to ensure that the enrollment process would be orderly and executed in a way that would minimize its effect on current access. There is no requirement that the necessary funding be available prior to its implementation. Instead, VA would simply open the doors and wait to see who arrives. I believe this is irresponsible and unfair to the current enrollees.

That is not just my view. Rather, my opinion echoes that of the Disabled American Veterans (DAV) who commented on the issue of re-opening VA to priority 8’s, stated “without a major infusion of new funding, enactment of this bill [S. 1147] would force VA to close waiting lists and reduce access to it, and would likely have a negative impact on the system as a whole.”

To address concerns, I offered an amendment during the Committee’s consideration of the legislation. My amendment would have required Secretarial certification of three facts prior to enrollment being deemed “open.”

First, the Secretary would have had to certify that quality of care and access thereto for every veteran in Groups 6-9 would not be adversely affected by the newer patients. Because current law treats those veterans as a higher priority, I believe that a VA no longer needs to assure itself that it is already offering high quality, timely care to our service-connected and lower income veterans. As I’ve already stated, recent observations and statements by some Senators suggest otherwise.

Second, the Secretary would have had to certify that this change would not have any adverse affect on current patients. In the face of such assertions, I believe the Committee and the Senate should ensure that this legislation does not have any adverse affect on current patients.

Finally, my amendment would have required that the Secretary certify to Congress that VA had the capability to see a large increase in veterans seeking health care...

My amendment failed in Committee. Still, in view of these findings, I introduced S. 1290 to replace the statutory scheme regarding SAA’s to help eliminate redundant administrative procedures, increase VA’s flexibility in determining the mix and extent of services that should be performed by SAA’s, and improve accountability for any activities they undertake. I am pleased that S. 1315 includes provisions that would require VA to coordinate with other entities in order to reduce overlapping activities and to report to Congress on its efforts to establish appropriate performance measures and tracking systems for SAA activities. However, I remain concerned that S. 1315 would leave in place the inflexible statutory provision mandating that SAA’s must perform, how those functions must be carried out, and how VA must pay for them.

As VA stated in response to GAO’s findings, “under the current arrangement, the agency and regulatory authority to streamline the approval process may be difficult due to the specific approval requirements of the law.”

There is no plan required to ensure that the necessary funding be provided with the authority to contract with SAA’s for services that it deems valuable and that those services should be performed, evaluated, and compensated.

Finally, I wish to draw attention to the funding provision in S. 1292 of the Committee bill, which would provide $19 million in mandatory funding to pay for SAA services for each fiscal year hereafter. To the contrary, my bill (S. 1290) included a funding provision—similar to legislation that the Senate passed in 2006—that would provide a $19 million spending authorization for SAA’s. The funding mechanism I would for now, continue to allow some funding to be drawn from mandatory spending accounts and would begin to transition SAA funding to a discretionary funding mechanism focusing on discretionary—rather than mandatory—funding, VA and the SAA’s would have to justify budgeting and funding decisions based on available and performance-based, as with any private-sector business or good-government business model.

Section 401 of S. 1315 would expand benefits to certain Filipino veterans residing both in the United States and abroad. I support improving benefits for Filipino veterans who fought under U.S. command during World War II. However, I believe the approach taken in this bill with respect to special pension benefits for non-U.S. citizen and non-U.S. resident, Filipino veterans and surviving spouses is overly generous and does not reflect wide discrepancies in U.S. and Philippine standards of living.

Before discussing the benefit provisions for veterans residing in the United States at paid at a maximum annual rate of $10,929 for a veteran without dependents, $14,313 for a veteran with one dependent, and $17,339 for a surviving spouse. When viewing these amounts in relation to U.S. average/household income of $46,000, we find that the maximum VA pension represented 24 percent of U.S. household income. In contrast, when measured against the Philippine average...
We have budget rules referred to as Pay-As-You-Go, a model would have on how Congress to pay for new entitlement spending through a decrease in other entitlement spending. An increase in revenue, or a combination of both. Such a construct was created to keep budget deficits from growing. Yet the four provisions in question adopt none of these approaches.

Mr. CORNYN. To be clear, we have had objections from the majority, from our Democratic friends, to legislation that is vitally important to our veterans—our military: the Veterans' Administration and military construction funding bill that was passed by both Houses of the Congress last summer and which has been held up and held hostage to the political games here in Washington, as well as the emergency troop funding that is needed to fund ongoing operations in Afghanistan and Iraq, which we have discussed as a result of a personal call that I received from the Governor of my State in Texas. We have 15 major military bases where military families live and work. One out of every 10 active-duty military members who wears the uniform, the proud uniform of the U.S. Air Force, lives in Texas. And we have guards and reservists who are also serving valiantly in Iraq and elsewhere.

The bill which has been blocked by the majority would provide $20 billion in military construction funds important for our troops and quality of life for our military families, and it is important to my State of Texas because of our support for the troops and military families. It contains almost $90 billion for our veterans, which includes building facilities so veterans have money to hire additional claims processors so veterans don't have to wait so long to get the benefits to which they are entitled. As I said, there are about 1.7 million veterans in Texas and they need these funds. They didn't get them because of the political games here in Washington with regard to an omnibus appropriations bill.

Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, we should be frank as to where we are today. The situation is not good. Yes, we do have too much partisanship in this body, and we need to move beyond it. But I wish to ask a couple of questions. I think we might as well talk about it directly and honestly: Has this Congress performed well this year? I don't think we have passed only one appropriations bill, and it is almost Christmas. They all should have been passed before the end of the fiscal year, September 30. Only one has been passed. No wonder the polling data shows Congress has the lowest respect of the public in our history. I know that in this last election, my colleagues on the other side of the aisle campaigned strenuously: Elect us and we will do better. Elect us and we will balance the budget and we will be fiscally responsible; the Republicans aren't fiscally responsible. We will do things in a better way, and we will run the Senate in a better way. For the majority, I have to say it is incontestable that that has not occurred. In fact, we are about of vote—perhaps, because who knows what may happen in the last hours—but the momentum is in place and the goal is to bring forward an omnibus bill that has all but one appropriations bill in it, no telling what other legislation in it. It is going to be an 850 or 1,000-plus pages. It is going to be dropped here. It is going to make this Agriculture bill look like a dime novel. They are going to vote for it. It is going to be over budget and it is going to try to put constraints on our military commanders in Iraq, telling them how to deploy our troops. It is not going to be accepted by the President. It is not going to be accepted by the American people.

So we are in a big deal. We are heading to a real collision course, and my colleagues on the other side are trying to blame people on this side for it. I don't think that is legitimate; I really don't.

Senator CORNYN has shown at great length how little has been done this last month. We have only had 10 votes. Is that right, Senator CORNYN? In the last 31 days, 10 votes. Why is that? Is this hard to do? It is not hard to have votes. You can have 10 votes a day. We have had days where we have had 40 votes or more a day. We are not having votes because the majority party, led by the majority leader, Senator REID, doesn't want to vote. Senator REID is a good friend and a person I like and respect, but he has a bunch of people there and they don't want to vote, because votes define you. You can talk all kinds of platitudes, but when a vote comes up, are you going to vote for money for our soldiers or not? Are you going to vote to tell General Petraeus how to deploy his troops or not? Are you going to vote to fund Defense? Are you going to vote to crack down on illegal immigration or not? So they don't want to vote. That puts them on record.

They are trying to move all of this pork, all this funding, all of those appropriations bills in one colossal package, and they want to have the absolute minimum number of votes to avoid being on record on important issues—issues that Americans care about; issues that are important to America.

But I will tell my colleagues the big deal. The big deal in this—and we might as well be honest about it—what are we going to do about our troops who are right there on the eve of Christmas serving us in harm's way?

Let me read an e-mail given to me by a father-in-law of a soldier in Iraq. It was sent in October. You know, we have had a tremendous reduction in violence in the last several months. Things have gone better than I would have thought possible in June. I believe General Petraeus's strategy is working in a way that I didn't think would be so positive. There is a long way to go, though, and this e-mail indicates that it is still tough.

He talks about his staff sergeant, a man of the highest character, who was killed by a sniper:

_The loss affected us all significantly. He was a ranger and a jump master that constantly led his men from the front. The men performed heroically and magnificently. After he was hit, myself and our medic were attending to him within seconds. We were receiving fire from many sides and the boys were hitting him back hard. We did get the sniper and he is no longer a threat to_
any of our forces. Still, more are out there, unfortunately. Four days later we had another one of our leaders hit by an IED.

He goes on to say this:

I have been reading in the newspapers and trying to put together some policies. "Warriors" are openly encouraging the enemy to room themselves and display the disdain to attack us daily. If all these presidential candidates do not understand what they already know, this would be easier. They voted for us to be here. They authorized the President to use force.

And so forth.

I wish to say our men and women are there. They are serving us. We have seen tremendous progress, and we don't need to tell General Petraeus, who is doing a fabulous job, how to deploy his troops. The President cannot and will not accept that. We need to fund them. General Petraeus promised that in March he would be back before this Congress and hopefully, he implied, to announce further reductions in our forces. Let's do this. Let's do this. I probably misspoke a little bit. This is exactly what the public expects us to be doing.

The Senate has learned over history that attempting to deny the minority their rights is not democratic and will not be supported by Members.

I was sent to be a voice for the people of Wyoming, and I take that responsibility very seriously. I encourage the majority leadership of the Senate to use the process that allows Members to call up bills, have them debated, amended, and voted on by this body. The Senate would benefit from this and this is exactly what the public expects us to be doing.

I now turn to legislation that discourages States from issuing driver's licenses to illegal immigrants. I introduced the bill November 13, 2007. It is S. 2334. This bill requires States to check the Social Security numbers against the registry before offering a driver's license. States that do not comply with this would lose 10 percent of their Federal transportation funds, and those funds would then not go back to the Federal Government but would be redistributed to the other States that are in compliance with the law.

This is an issue that is vital to our national security. It is also an issue the Senate has not yet taken a vote on. Driver's licenses for drivers who are in compliance with the law. We have a duty and the time is now to start this discussion.

I ask unanimous consent that the bill be read the third time and passed; that

The Treasury of the United States is authorized to be here. They are openly encouraging the enemy to em-
the motion to reconsider be laid upon the table; and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Is there objection?

Ms. STABENOW. Mr. President, reserving the right to object, this is a very important issue we need to have a thorough debate on. At this moment, on behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BARRASSO. Mr. President, I am disappointed with the objection. I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, we are 2 days away from the expiration of the continuing resolution—our second one. We had difficulty as a party when we were in the majority with getting the bills done on time. It is difficult to move things through this body. That is not necessarily always the majority’s fault, but it requires that we work together. One way to take the pressure—the crash pressure in coming up against a point where everybody ends up losing an automatic CR so we don’t have that problem. There has been a bill offered that says if we cannot get our work done, there is an automatic CR, that the Government continues to run at the rate it was, or at the rate the Senate- or House-passed bills. It takes us away from the idea of playing chicken and protects the American people and those employed by the Federal Government. I think it is common sense. It is something we ought to do. It takes the pressure off both sides so we are not running down to the end and looking at bills that nobody knows what is in them, thereby doing a grave injustice to the rest of the American people. I think it is an idea whose time has come.

On the basis of that, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Is there objection?

Ms. STABENOW. Mr. President, reserving the right to object, as my friend indicated, this has been included in the Department of Defense reauthorization and Homeland Security budget. I wonder if my friend would be willing to amend his unanimous consent request to indicate that—because it is included in the conference report we will be receiving shortly—we have unanimous consent to pass the conference report for the Department of Defense authorization when the Senate receives it.

Mr. KYL. Mr. President, if that is a unanimous consent request, since we obviously have no idea what that conference report is, whether it includes anything else, obviously we cannot do that. If that is a unanimous consent request, obviously, we cannot agree and I will object.

The question is, Is there objection to the unanimous consent I propounded?

Ms. STABENOW. Reserving the right to object, as my friend indicated, the bill is ready to be read the third time, and it will shortly be passing this legislation, at this time, I will object to this request.

The PRESIDING OFFICER. Objection is heard.

Mr. KYL. Mr. President, it is certainly nice to have an assurance that we will soon be passing it, with only a few days remaining in the session. Obviously, we need to pass it. The reason for my request was in the event it is not done later. I think we are tempting fate.

The other request I will make relates to another emergency matter. Last August, in a bipartisan fashion, we filled a very dangerous hole in our terrorist surveillance capabilities by passing the Protect America Act, which updated our Foreign Intelligence Surveillance Act by giving our law enforcement professionals the tools they need to keep up with modern technology to monitor terrorists overseas. That act expires in February. We are not here that many days between now and then. Obviously, the terrorist threat continues; it is not going to expire. We need to permanently extend this critical law enforcement tool to make sure that the Amercan telecommunications companies, which bravely answered the call to help their country when asked to do now, do not have to respond to frivolous lawsuits as a result of their patriotism.

I hope my colleagues will join me in seeing to it that the Protect America Act can be passed and made permanent.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2348, the Emergency Border Funding Act, and I ask unanimous consent that the bill be read the third time and passed; that the motion to reconsider be laid upon the table; that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Is there objection?

Ms. STABENOW. Reserving the right to object, as our friend indicated, we are working together on that issue in a bipartisan way. It will be resolved before February. At this time, on behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KYL. Mr. President, again, I appreciate the assurance that this will be done by February 1, when it has to be done, or all of the authority to collect this intelligence expires. It has to be done. I think we are in session maybe 1 or 2 weeks, potentially, when we come back before that date. If we don’t do it, our country is in grave jeopardy. I would have thought perhaps a better way to resolve that is to do it now so we don’t have to wait again until the very last minute to accomplish something that is so important for the security of our country.

I yield the remaining time to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, how much time remains?

The PRESIDING OFFICER. Two minutes.

Mr. CORNYN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2318, a bill that provides permanent relief from the alternative minimum tax, which extends the 2001 dividends and capital gains tax relief, and that the bill be read the third time and passed.

I further ask that the bill be held at the desk until the House companion arrives and that all the amendments be stricken and the text of the Senate-passed bill be inserted, and the House bill, as amended, be read the third time and passed.
The PRESIDING OFFICER. Is there objection?

Ms. STABENOW. Reserving the right to object, as my colleague knows, we all agree we need to stop the tax increases on middle America. We are committed to that. At this time, on behalf of the majority leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CORYN. Mr. President, I am disappointed, and I think the American people are going to be disappointed if we do not deal with the alternative minimum tax, which, of course, was targeted at the “rich” when it was passed but which now affects 6 million taxpayers and which, if we don’t act, will affect 23 million middle-class taxpayers next year.

My distinguished colleague didn’t mention the capital gains and dividends tax relief, which has been so important as a stimulus to the economy, which has resulted in 50 months of uninterrupted job growth since we passed that legislation. I hope we will continue to work on that.

Unfortunately, given the compression of time due to the squandering of opportunities earlier this year to act on this important legislation, I am afraid we are not going to get it done before we break for Christmas. The IRS is going to have to send out notices to many new taxpayers of their increased tax bill under this AMT, unless we act promptly.

I yield the floor and yield back the remainder of my time.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FARM, NUTRITION, AND BIOENERGY ACT OF 2007

The PRESIDING OFFICER. Under the previous order, the Senate will resume conversation on H.R. 2419, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

PENDING:

Harkin amendment No. 3500, in the nature of a substitute.

Harkin (for Dorgan-Grassley) modified amendment No. 3695 (to amendment No. 3500), to strengthen payment limitations and direct the savings to increase funding for certain programs.

Brown amendment No. 3819 (to amendment No. 3500), to increase funding for critical farm bill programs and improve crop insurance.

Klobuchar amendment No. 3810 (to amendment No. 3500), to improve the adjusted gross income limitation and use the savings to provide additional funding for certain programs and reduce the Federal deficit.

Chambliss (for Cornyn) amendment No. 3687 (to amendment No. 3500), to prevent duplicative payments for agricultural disaster assistance already covered by the Agricultural Disaster Relief Trust Fund.

Thune (for Alexander) amendment No. 3553 (to amendment No. 3500), to limit the tax credit for small wind energy property expenditures to property placed in service in connection with a farm or rural small business.

Thune (for Bond) amendment No. 3771 (to amendment No. 3500), to amend title 7, to modify the Federal decisiveness to include provisions relating to rulemaking.

Salazar (for Durbin) amendment No. 3539 (to amendment No. 3500), to provide a termination date for the conduct of certain inspections and the issuance of certain regulations.

Tester amendment No. 3666 (to amendment No. 3500), to modify the provision relating to unlawful practices under the Packers and Stockyards Act.

Schumer amendment No. 3720 (to amendment No. 3500), to improve crop insurance and use resulting savings to increase funding for certain conservation programs.

Gregg amendment No. 3825 (to amendment No. 3500), to modify a provision relating to public safety officers.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I wish to speak in support of a provision in the bill that the amendment before us is going to strike, the Farm and Ranch Stress Assistance Network.

I seek unanimous consent to speak for 5 minutes.

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

AMENDMENT NO. 3671

Mr. GRASSLEY. Mr. President. I wish to speak in support of a provision that would provide a Farm and Ranch Stress Assistance Network.

This network is a critical service to help American farm and particularly rural families. I oppose the amendment offered by the senior Senator from New Hampshire that would strike this measure.

Without a doubt, farmers and ranchers face unique challenges in providing food and fuel for this country. Farming is one of the most stressful and dangerous occupations in the United States. There are environmental, cultural, and economic factors that put farmers and ranchers at a higher risk for mental health problems.

Stress in agriculture contributes to rates of depression and suicide that are double the national average. This is true even in good times for farmers. As a farmer myself, this troubles me.

It also concerns me when rural residents, especially those involved in agriculture, are disproportionately represented among the uninsured of the United States. One-third of the agricultural population lacks health insurance coverage for mental health conditions. With the rising cost of health care and many farmers and ranchers in business on their own, the
Mr. GREGG. Will the Senator yield for a question?

Mr. GRASSLEY. I have yielded back the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent for 3 minutes to respond to the Senator from Iowa who referred to me in his comments.

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

Mr. GREGG. Mr. President, I find it extremely unique that the Senator from Iowa would take the position that he needs a program to be authorized but that we should not vote against it on the basis of it spending money because he doesn’t ever expect to fund it.

That, on the face of it, does not pass the laugh test. If you are authorizing a program, creating a program, you expect at some point to fund the program and spend money on the program. That is a totally disingenuous argument, in my humble opinion, to make that representation.

I suggest if the Senator from Iowa believes the stress program is an important program, that is fine. We will have a vote. I happen to think the American taxpayer should know this program, in my humble opinion, is not of value and is inappropriate in this context.

Mrs. MURRAY. Mr. President, I have come to the floor to talk about two amendments to the farm bill proposed by the Senator from New Hampshire.

These amendments would have devastating impacts on farmers in my home State of Washington, and I urge my colleagues to oppose both of them.

The first would strike the badly needed agriculture disaster assistance trust fund and direct the money to other sources.

Under my colleague’s amendment, most of that money would go to reduce the deficit, and some would help low-income residents with their heating bills.

The second would strike the Market Loss Assistance Program for asparagus growers.

Our farmers are the backbone of our Nation. But farming is a difficult business.

One bad storm can wipe out a whole crop or a whole herd—and take your livelihood with it.

That is the position that some of the farmers in my home State are in now. And that is why it is so important that we have a safety net ready to help them.

Last week, I spoke on the Senate floor about the storms that had devastated western Washington.

Winds and dangerous floods and mudslides washed out roads and homes and cut off power to thousands.

Thousands of people are still coping with the damage, and our agriculture producers in southwest Washington were hit especially hard.

We won’t know the full impact of this storm for some time.
But we are already starting to hear reports about lost livestock, poultry, farm buildings, and equipment. Some reports say that producers lost thousands of animals—and that number may still grow.

The legislation provides disaster trust fund in this farm bill ensures that we have a permanent pool of money to help farmers after natural disasters, such as the storms in Washington State.

I appreciate the work of the Finance and Agriculture Committees to add this important program. And I want to thank Senators HARKIN and CHAMBLISS for their leadership on this bill.

I wish this program were already in place.

If it were, farmers in Lewis and Grays Harbor—two of the counties hit hardest by the flooding—would be able to apply for Federal aid to rebuild their herds.

For example, the Livestock Compensation Program in the trust fund would pay 75 percent of the value of the dead animal.

Without a permanent disaster assistance program, we are left to provide this kind of help on an ad hoc basis. A trust fund would ensure that money is always there when it is needed.

Our farmers shouldn’t have to depend on political whim when disaster strikes.

And that is why the amendment to strike this fund would be such a bad idea.

Now I strongly support the LIHEAP program. I think it is critical, especially as we head into the winter months. But I think we can find a better solution that doesn’t eliminate this trust fund.

And so I urge my colleagues to vote against this amendment by Senator GREGG.

Secondly, I would like to take a few minutes of debate to talk about the amendment to strike the market loss help for asparagus growers, another program that is vital in my home State.

Historically, asparagus has been a major crop for Washington State farmers. In fact, it was the first crop harvested in Washington.

But our asparagus farmers are hurting now because of competition from growers in Peru.

The Andean Trade Preference Act has allowed Peruvian asparagus to flood the U.S. market.

And unlike most free-trade agreements, the act went into effect without a transition period to allow U.S. producers to prepare or adapt.

Over the Thanksgiving recess, I visited with a number of farmers in Yakima, WA, who told me about the devastating impact this trade agreement has had.

The numbers speak for themselves.

In 1990, the value of the crop was approximately $200 million. Its value now is down to $15 million.

Before the act, more than 55 million pounds of asparagus were canned in Washington State—roughly two-thirds of the industry. But by 2007, all three asparagus canners in Washington had relocated to Peru.

I have fought to help our U.S. growers. I have tried to get them trade adjustment assistance and other help.

And in the past several years, I have secured funding for research on a mechanical harvester to make this labor-intensive crop less expensive to produce.

And most recently, I worked with my colleagues from Michigan and Washington to include the market loss program for asparagus growers in this farm bill.

I appreciate the leadership of Senators HARKIN and CHAMBLISS on this issue as well.

This program would provide up to $15 million nationwide to help U.S. farmers who still grow asparagus despite foreign competition.

I hope this program will help growers in my State continue to invest in asparagus.

We modeled this after a similar program for apples and onions, which I helped add to the 2002 farm bill.

I remember hearing from apple growers about the effects of Chinese imports on our market.

That program provided over $94 million for our Nation’s apple growers, and it has proven to be a big help to our apple industry.

I would note to my colleague from New Hampshire that his State received over $1 million from the apple program.

Striking the market loss program from the farm bill would be a step in the wrong direction for our asparagus industry.

And it would have serious impacts on farmers in my home State.

So I urge my colleagues to vote no on this amendment as well.

“NO” votes on both of these amendments will support the struggling asparagus industry.

And they will help our farmers and ranchers when disaster strikes.

These programs are too important to our farmers to be cut.

Mrs. BOXER. Mr. President, I rise in opposition to Gregg amendment No. 3672.

This amendment irresponsibly strips $15 million in funding for an asparagus market loss program to help asparagus producers who have lost a significant amount of their market share because of the Andean Trade Preference Act.

Thanks to the great work of Senator STABENOW, along with Senators HARKIN and CHAMBLISS, the Senate Ag Committee approved this important funding to help assist asparagus producers in California, Michigan, and Washington who have lost significant market share as a result of the Andean Trade Preference Act.

The U.S. asparagus industry was and continues to be hurt by the Andean Trade Preference Act’s, ATPA, extended duty-free status to imports of fresh Peruvian asparagus. The ATPA eliminated U.S. tariffs on Peruvian asparagus imports beginning in 1990.

Unlike most free-trade agreements, the ATPA provided no transition period to allow domestic asparagus producers to prepare or adapt to a market that would be flooded with an unlimited quantity of zero tariff asparagus from Peru.

Following the enactment of ATPA, imports of processed asparagus products surged 2400 percent from 500,000 pounds in 1990 to over 12 million pounds in 2006. As a result, domestic asparagus acreage has dropped 54 percent from 90,000 acres in 1991 to under 49,000 acres today.

Michigan has lost 20 percent of its asparagus acreage.

Washington State’s asparagus acreage decreased from 31,000 acres in 1991 to 9,300 acres in 2006, and producers in the State have seen the value of their crop drop from $200 million in 1990 to $75 million today.

And farmers in my State of California have lost nearly half of their asparagus acreage since 1990, dropping from 36,000 acres before the ATPA, to 22,500 acres today.

Many of my colleagues may be asking what the market loss program will provide to asparagus producers. This asparagus program is modeled after a 2002 program for onion and apple producers that provided $94 million in assistance when the apple and onion markets were flooded with cheap Chinese imports.

Market loss funds will be used to offset costs to domestic asparagus producers to plant new acreage and invest in more efficient planting and harvesting equipment.

I find it particularly interesting that Senator GREGG has put forward an antimarket loss program amendment that would help farmers in my State. As a result of the 2002 farm bill, apple producers in his State of New Hampshire received more than $1 million in assistance.

Where was Senator GREGG and his amendment to strike when the Senate approved a market loss program for apple and onion producers as part of the 2002 farm bill?

I urge the Senate to reject this amendment.

The amount in funding for the market loss program is a small percentage of the losses incurred as a result of the ATPA and will go a long way toward maintaining domestic asparagus production and helping our producers who have lost thousands of acres.

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate equally divided prior to a vote on amendment No. 3671, offered by the Senator from New Hampshire, Mr. GREGG.

Mr. GREGG. Mr. President, that is the stress program; correct?

The PRESIDING OFFICER. That is correct.

Mr. GREGG. I think we just had our 2 minutes of debate. I suggest both sides yield back time and go to a vote.
The PRESIDING OFFICER. All time is yielded back.

Mr. GREGG. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3671. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DOUG HILL), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. LOT T. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER (Mr. MENENDEZ). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 37, nays 58, as follows:

[Rollcall Vote No. 418 Leg.]

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The amendment (No. 3672) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The amendment (No. 3672) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HARKIN. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The business before the Senate is Harkin amendment No. 3830.

Mr. HARKIN. Mr. President, in consultation with the ranking member, Senator CHAMBLISS, I am going to repeat for the benefit of Senators a unanimous consent that was entered into last night and try to clarify it a little bit. There was one small change, and that was to add Senator SANDERS into this debate.

Mr. President, I ask unanimous consent that following disposition of the Gregg amendment, which we just did, the Senator from Delaware (Mr. BIDEN) be recognized to call up an amendment, and once reported by number, the amendment be set aside; that Senators ALEXANDER, BINGAMAN, SALAZAR, and SANDERS be recognized, 10 minutes for Senator ALEXANDER, 10 minutes for Senator SALAZAR, 10 minutes for Senator SANDERS, and 30 minutes for Senator ALEXANDER; that the Senate then debate the following amendments for the time

The amendment (No. 3671) was rejected.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DOUG HILL), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. LOT T. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 56, as follows:

[Rollcall Vote No. 419 Leg.]

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NOT VOTING—5

Biden | Dodd |
| Obama |

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The amendment (No. 3671) was rejected.

AMENDMENT NO. 3672

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate equally divided prior to the vote on amendment No. 3672, offered by the Senator from New Hampshire. The Senator from Michigan is recognized.

Ms. STABENOW. Mr. President, I thank Senator HARKIN and Senator CHAMBLISS and those involved in putting together the bipartisan farm bill. I ask for a “no” vote on the Gregg amendment. This would eliminate $15 million, a small amount in the farm bill but incredibly important to asparagus growers across the country. This would eliminate the Asparagus Market Loss Program that would compensate American asparagus growers across the country for losses to their industry as a result of the Andean Trade Preferences Act, which was passed back in 1990. Since that time, we have seen no transition period and imports of tariff-free processed asparagus have surged 2,400 percent. We have seen major losses for asparagus growers, and I add that this program has been passed in the last farm bill for apples and onions, where cheap Chinese imports were harming domestic growers and, in fact, the State of the author of the amendment received over $1 million in that program for apples. We are simply asking that asparagus growers receive the same kind of assistance.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, this is a new program. It is a new mandatory program. It is $15 million. It is not a lot of money, but I think it would be nice if the Senate would make a statement once in a while so it is going to be fiscally responsible.

This asparagus program is not needed. It is the result of a 1990s trade agreement, the claim is made, but that is 20 years ago almost that agreement was reached. What has happened is the American consumer has benefited from that agreement and now, because the American consumer has benefited from the agreement, we basically want to raise taxes on the American consumer to make them pay because they didn’t pay at the shop when they bought the asparagus.

It makes no sense at all. This is a brand-new $15 million program in this bill for asparagus. The bill is replete with all kinds of programs. I think we ought to make a statement, at least for once, that we are going to be fiscally responsible. I hope people will vote for the amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I move to reconsider the vote and move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. HARKIN. I suggest the absence of a quorum.

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December 12, 2007

CONGRESSIONAL RECORD — SENATE

2005, the Congress, looking for a way to bring the budget under control, saw this as a pot of money that could be used and took the money from agricultural research and used it to do a better job of balancing the budget.

There was a 2-year period, in 2001 and 2002, when under this program there were 183 grants to 71 of the 76 land grant universities, one in every State. Out of that came this research and a variety of other products.

The purpose of this amendment is to get this program back on track. It was first authorized in 1998, had a couple of problems, but here is what my amendment would do. My amendment would add in million in the last 3 years of the farm bill. The House, in its version of the farm bill, has added $600 million in those 3 years. So the conferees could look at those two amounts of money and come to a reasonable adjustment in the program, not to get back on track.

Let me take an example, one which I used yesterday. Those who live in the Southwest, which I do not, are apparently very familiar with the guayule plant. I might call it a weed. That might not be a very friendly designation, but it looks like a weed to me. The University of Arizona discovered—one of our land grant universities, as a part of the program I am seeking to get back on track—that it could use this plant to develop nonallergic latex to go into rubber gloves. Why is that important? Because according to OSHA, allergic reactions from latex rubber allergic? Because according to OSHA, allergic reactions from latex rubber, why is that important? Because according to OSHA, allergic reactions from latex rubber are on the rise, and we have to do something about it.

Mr. SALAZAR. Will the Senator from Tennessee yield for a question?

Mr. HARKIN. Mr. President, I offer two amendments. They are at the desk. The first one has to do with land grant university research funding, to try to get back on track a terrific program the Congress passed in 1998 to properly fund value-added research for our land grant universities across this country. That is No. 1.

No. 2 is to amend the amendment of the Senator from Colorado, which is a part of the bill, so that we would limit 100 kilowatt wind towers to farm areas and not residential areas. Those are the two amendments.

I wish to begin by summarizing the land grant university research amendment. What amendment 3551 does is it adds $74 million over the last 3 years of the farm bill for agricultural research at land grant universities. In my opinion, having been president of a land grant university, the University of Tennessee, I believe our land grant colleges and universities are our secret weapon in raising farm incomes. I believe they are one of the major reasons why we are so competitive, peer-reviewed grants and not residential areas. Since this is a farm bill and not a residential bill, what my amendment would do is limit the ability of this subsidy to go to wind turbines to farms and rural businesses as defined in the Internal Revenue Code. If I could put it in plain English: It will not be very difficult for the Members of the Senate to go home and explain to their neighbors, whether they are in Tennessee or Colorado or Mississippi, why they passed a law saying we are going to take some of your tax money and give it to your neighbor so he or she can put up a 12-story tower in his or her front yard next to you. I don’t think that is an appropriate use of our tax money. I don’t believe it is a wise way to create electricity. It doesn’t show the kind of common sense we need to show in creating clean energy.

The example I used yesterday, and which I could go into more detail later, is the $5 million tax credit in this bill...
for these kinds of towers would create only about 12 megawatts of electricity. That is a pretty puny amount of electricity. Common sense suggests it would be much wiser to use the $5 million to buy $2 energy-efficient light bulbs and give them to people in residential areas who would substitute natural gas, and it is totally disproportionate as much energy as these turbines would produce.

There are other reasons the turbines are not necessary. One is that the wind industry is heavily subsidized already. For example, wind energy will receive $11.5 billion over the next 10 years from the production tax credit. By fiscal year 2009, the Federal tax subsidy for wind energy will be the largest subsidy for energy which is an astonishing figure when you take into account that wind provides less than 1 percent of the electricity we use. According to the Energy Information Administration, in the year 2020, it will provide not much more than that. Here we have billions and billions going to subsidize wind power. That amount is half as much as all of the subsidies for oil and gas, and it is totally disproportionate to the value of the energy we get.

I stand as a Senator who is very concerned about clean air and climate change. Since I arrived in 2003, I have had in place—first with Senator Carl Levin, then with Senator Lieberman—a climate change/clean air bill that would put caps on utilities which produce more than half of the carbon in the United States. That bill also included stricter standards than now exist in law on mercury, on sulfur, and on nitrogen. I was the sponsor in the last Congress of the solar tax credit which I believe is important. In the hearing the other day we had on climate change, I proposed and the committee adopted, a low-carbon fuel standard. I voted for, and hope to be able to vote for again in final passage of the Energy bill, the fuel efficiency standards which were part of the Senate-passed Energy bill.

The Oak Ridge National Laboratory has testified that is the single most important thing we can do to reduce our dependence on foreign oil. But I believe we should use common sense. I don’t believe using tax dollars to give your neighbor up to $4,000 so he or she can create up to a 12-story tower in a residential neighborhood makes much common sense. My appeal is as much to common sense as anything else.

My hope is the Senate would agree that it will be fine if we want to subsidize the building of such large wind turbines in rural areas, but it is not all right to subsidize the building of those wind turbines in residential areas. My amendment and the amendment put forward by Senator Waxman and Senator Stevens make clear that nothing we did in this bill overrode local zoning ordinances that people use to decide what sort of towers they want to permit.

That concludes my remarks. I will listen to my colleagues from Vermont and Colorado.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. SALAZAR. Mr. President, I rise to speak against the Alexander amendment No. 3553. I do so with some regret because he and I have worked on so many matters together in a bipartisan spirit. But on this particular amendment, he is simply wrong for two reasons. First, the amendment would strike a blow against what we are trying to do to create a new clean energy future by crippling our attempts to move forward with a new agenda on wind power. Second, it would bring the Congress into an intruding position on matters that ought to be about land use at the local and State level, in the traditions of this country. So for those two reasons, I am going to ask my colleagues to join in opposition to the amendment.

The small wind power microturbine tax credit we are proposing as part of the farm bill brought forward in a bipartisan way from the Finance Committee is an investment in our future that enjoys tremendous bipartisan support. On the Republican side, Senators Smith, Craig, Murkowski, and Coleman have all been champions of the small wind energy tax credit; on the Democratic side, Senator Sanders, Dorgan, Feinstein, Kerry, Wyden, Stabenow, and Johnson have all been supporters and cosponsors of the underlying legislation, S. 673. That group of Senators shows the kind of bipartisan support we have for small wind power in America.

I ask unanimous consent to print in the RECORD a letter sent to Senator Baucus and Ranking Member Grassley from a number of organizations, including the Tennessee Environmental Council, in support of this tax provision.

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


Hon. Max Baucus, Chairman, Senate Committee on Finance, Dirksen Senate Office Building, Washington, DC.

Hon. Charles Grassley, Ranking Member, Senate Committee on Finance, Senate Office Building, Washington, DC.

Dear Chairman Baucus and Ranking Member Grassley: As leading farm and rural economic development organizations, we strongly support a federal investment tax incentive for small wind energy systems. Small wind farms can help farmers and rural Americans achieve personal energy independence. Thank you for your continued support.

Sincerely,

Mark Johnson
National Farmers Union
American Corn Growers Association
Nebraska Farmers Union
Tennessee Environmental Council
Southern Alliance for Clean Energy
American Agriculture Movement
Rocky Mountain Farmers Union
Environmental Law & Policy Center

Mr. SALAZAR. The Alexander amendment, the way it would strike out the small wind tax credit provision of this legislation, would cripple the wind power potential for our country in a way that is not healthy as we embrace this agenda. We are dealing with technology that has been around for a long time. Certainly moving forward with the hope and vision that 25 percent of our energy from this country comes from renewable energy resources, we know there are many components of that portfolio. One of them is wind. Tremendous wind power is being developed around our country, and I will speak about that. But we know we can do much more with small wind microturbines. Here is what they would look like on a farm.

This is a picture shown that shows an old-style windmill, windmills such as we have seen out on the plains and the prairies for generations. It used to be for many years the only way we could generate power to pump water for cattle out on the range. These windmills were converted over to become electrical generators. Now with the new technology being developed at the National Renewable Energy Laboratory through their wind technology center, we have developed new wind microturbines that can combine a good amount of energy with very small turbines in place. This picture shows some of those wind turbines in operation.

The amendment of the Senator from Tennessee would essentially say we are going to limit what we can allow these small wind microturbines to go up. For example, if you happen to have a rural residence such as this residence, which is typical of many places throughout the West, this residence which could power the household and livestock, if that is off of a wind turbine, in the way this house does would not be allowed to do so. The $1,000 tax credit would not be allowed to provide the
electrical generation needs we want to accomplish for that house.

Another example is this rural residence which is out on a hillside. The rural residents of this house, out on a hillside, would not be able to take advantage of that wind energy if we are providing in this legislation.

It goes beyond just rural residences out there in the country. In addition to that, when we think about industrial or business places of use, this shown in this picture is an example of a Windell Mart, which is located outside of Denver, CO, in Aurora, CO, where Wal-Mart has embraced using renewable energy to power much of its facility. One of the sources for that wind power for this Wal-Mart in Aurora, CO, is a wind turbine, a small wind microturbine.

Our legislation would provide the tax credit to allow this kind of a wind microturbine to be incentivized to go into that place. So what my friend attempted to do here, in my view, was unessarily narrow what we are trying to do, which is to expand the places where we can use wind power in the form of small wind-power turbines throughout the United States. So I hope on that basis alone my friends in the Senate ultimately agree to do that in opposition to his amendment.

Second, what we are trying to do here is incentivize the creation of small wind-power turbines for the people and for the businesses of this country.

Third, what my friend has proposed in part is based on his concern that he does not want to see a lot of wind turbines in urban or suburban areas. He does not want us to go back to places such as Knoxville or Oak Ridge, TN, and go to those communities and say we somehow are enabling those wind-power turbines, those small microturbines, to go up in those communities. That has never been a province of the Senate. The province of the Senate has been to set out national policy. It is up to those local communities and cities and counties and States to determine what their local land use policy is going to be. Nothing we do in the Senate ultimately is going to disrupt or interrupt whatever they may be doing at the local level in terms of their local land use ordinances.

We have seen, most recently with respect to what has happened with the South, to do here. In my view, what has happened throughout the country is it still very much controlled by what happens at the local land use level. I urge my friends to vote in opposition to Alexander amendment No. 3553.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Vermont.

Mr. SANDERS. Mr. President, let me begin by concurring with much of what Senator SALAZAR has said. I have a lot of respect for Senator ALEXANDER. I have worked with him on some issues, and I look forward to working with him on other issues. But, unfortunately, on this one he is dead wrong, and the amendments on wind energy he has brought forth should be soundly defeated in a tripartisan vote.

Let me begin by quoting from an AP article that appeared on the front page of the Vermont's largest newspaper, the Burlington Free Press, this morning and in papers throughout the country. Here is what the article says: "Ominous Arctic melt worries experts.

An already relentless melting of the Arctic greatly accelerated this summer, a warning sign that some scientists worry could mean global warming has passed an ominous tipping point. One even speculated that summer sea ice would be gone in five years.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

OMINOUS ARCTIC MELT WORRIES EXPERTS

(Concluded from chili)

An already relentless melting of the Arctic greatly accelerated this summer, a warning sign that some scientists worry could mean global warming has passed an ominous tipping point. One even speculated that summer sea ice would be gone in five years.

Greenland's ice sheet melted nearly 19 billion tons more than the previous high mark, and the volume of Arctic sea ice at summer's end was half what it was just four years earlier, according to new NASA satellite data obtained by The Associated Press.

"The Arctic is screaming," said Mark Serreze, senior scientist at the government's snow and ice data center in Boulder, Colo.

Just last year, two top scientists surprised their colleagues by predicting that the Arctic sea ice was melting so rapidly that it could disappear entirely by the summer of 2014.

This week, after reviewing his own new data, NASA climate scientist Jay Zwally said: "At this rate, the Arctic Ocean cold be nearly ice-free at the end of summer by 2012, much faster than previous predictions."

So scientists in recent days have been asking themselves these questions: Was the worst case forecast ever seen all record a blip amid relentless and steady warming? Or has everything sped up to a new climate equilibrium? What goes beyond the scenarios presented by computer models?

"The Arctic is often cited as the canary in the coal mine for climate warming," said Zwally, who as a teenager hauled coal. "Now as a sign of climate warming, the canary has died. It is time to start getting out of the coal mines."

It is the burning of coal, oil and other fossil fuels that produces carbon dioxide and other greenhouse gases, responsible for man-made global warming. In recent days, government diplomats have been debating in Bali, Indonesia, the outlines of a new climate treaty calling for tougher limits on these gases.

What happens in the Arctic has implications for the rest of the world. Faster melting there means eventual sea level rise and more immediate changes in winter weather because of less sea ice.

In the United States, a weakened Arctic is moving to collide with moist air from the Gulf of Mexico can mean less rain and snow in some areas, including the drought-stricken Southeast. Michael MacCracken, a former federal climate scientist who now heads the nonprofit Climate Institute. Some regions, like Colorado, will likely get extra.

More than 18 scientists told the AP that they were surprised by the level of melt this year.

"I don't pay much attention to one year... but this year the change is so big, particularly in the Arctic sea ice, that you've got to pay attention," said MacCracken. "You can't look away from what's happening here," said Waleed Abdalati, NASA's chief of cryospheric sciences. "This is going to be a watershed year."

2007 shattered records for Arctic melt in the following ways:

- 552 billion tons of ice melted this summer from the Greenland ice sheet, according to preliminary satellite data to be released by NASA Wednesday. That's 15 percent more than the annual average summer melt, beating 2005's record.

A record amount of surface ice was lost over the Atlantic this year, 12 percent more than the previous worst year, 2005, according to data the University of Colorado released Monday. That's nearly quadruple the amount that melted just 15 years ago. It's an amount of water that could cover Washington, D.C., a half-mile deep, researchers calculated.

The face area of summer sea ice floating in the Arctic Ocean this summer was nearly 23 percent below the previous record.

The melting sea ice already has affected wildlife, with 6,000 walruses coming ashore in northwest Alaska in October for the first time in recorded history. Another first: The Northwest Passage was open to navigation.

Still to be released is NASA data showing the remaining Arctic sea ice be unusually thin, another record. That makes it more likely to melt in future summers. Combining the shrinking area covered by sea ice with the new thinness of the remaining ice, scientists calculate that the overall volume of ice is half of 2004's total.

Alaska's frozen permafrost is warming, not quite thawing yet. But temperature measurements 66 feet deep in the frozen soil rose nearly four-tenths of a degree from 2006 to 2007, according to measurements from the University of Alaska. While that may not sound like much, "it's a blip," said University of Alaska professor Vladimir Romanovsky.
Wind “could power all UK homes.” All UK homes could be powered by offshore wind farms by 2020 as part of the fight against climate change, under plans unveiled.

What they are doing in the UK, at the highest level of Government, with support of the Tory Party—the conservative party—in the UK, is they are developing plans that would significantly increase the number of wind turbines. Some 7,000 wind turbines could be installed by the year 2020 to provide all of the UK with electricity. They are going forward rapidly, boldly with wind, and we are talking about how we can cut back efforts toward sustainable energy.

I fully appreciate that my good friend from Tennessee has concerns about wind energy. He may not want a wind turbine at his home or on his property, and that is his right. We support that right. But I would respectfully request he not make that decision for the rest of us.

Wind energy is one of the fastest growing renewable technologies today and benefits families in my own State of Vermont and all across our country. I believe rural America and individual communities in this country deserve the opportunity to decide for themselves whether to pursue wind energy. Some may like it; some may not.

That is a decision for them and not the Federal Government. I would hope some of our conservative friends who talk about all of the vices of a big Federal Government might want to heed that thought.

The truth is, today millions of rural Americans, in fact, want to pursue sustainable energy. They should be allowed to do so, and they should be able to utilize the support provisions in this farm bill that provide incentives for them to produce electricity that is renewable, that is cost effective, and does not pollute the environment. It is what they and I want to do. That is what we need. We should support that effort.

Apparantly, one of those people—and I applaud him for this—is the former Republican President of the United States of America, George H.W. Bush, who, in his summer home at Kennebunkport, ME, has recently installed a 33-foot tall windmill that can produce 400 kilowatts a month. I applaud former President Bush for pointing out to the country the importance of small wind turbines in providing electricity for homes. I hope all over this country people emulate what the former Republican President has done.

There is enormous potential for wind technology in the United States. We have a huge renewable resource base in our country, and yet only about 3 percent of the Nation’s electricity supply comes from nonhydroelectric renewable energy sources in the year 2006.

Other countries have already made significant use of renewable energy. I point out that Denmark meets roughly 20 percent of its electricity needs with wind alone, while Spain is at 9 percent, and Germany and Portugal are at 7 percent. Despite having a much more robust wind resource than any of these countries, the United States meets less than 1 percent of its electrical needs with wind power today.

I do not believe we can do better. We must do better. The Federal Government, through tax credits and other incentives, including small wind turbines, must help move our country in that direction.

Today, most wind turbines are currently located on mountain tops, mountain passes, and the Great Plains from North Dakota to Texas. That is not nearly good enough. Wind is the cheapest renewable energy, and it should be growing by leaps and bounds. We have to move forward in making that happen.

As a nation, we can—in fact, we must—do a better job of exploiting the freely available renewable resources that exist across our country. Small-scale rural wind turbines should be aggressively promoted as one of the solutions. We can no longer afford to ignore it.

It should be heartening to know that new investments in renewable generating capacity in the United States has been accelerating in recent years. This is largely due to tax credits from the U.S. Department of Energy’s National Renewable Energy Laboratory we are developing wind turbines all over this country where there is a reasonable amount of wind. Clearly, wind is not available all over the country. But everybody who is serious about this issue understands that the solution to global warming and the solution to sustainable energy, electricity generation, is going to require a mix of technologies.

I applaud both the efforts of the citizens of Vermont, I am told that an average home can produce 40, 50, 60 percent of its electricity from a small wind turbine, which is becoming less and less expensive. They are now on the market for some $12,000—$12,000—including installation. If we can provide the type of tax credits and other incentives for these wind turbines, we can have a payback period in a reasonable period of time which will allow more people to have the electricity for millions of Americans, break our dependency on Middle East oil, and stop the emissions of carbon...
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into the atmosphere, which is causing global warming.

I have a lot of respect for my friend from Tennessee, and I know his concern is aesthetics, how these things look—that is one of his concerns—but let me say this. I am not an aesthetician. I am also concerned about how things look. I am concerned when extreme weather disturbances such as Hurricane Katrina hit Louisiana and caused massive damage. That is an aesthetic concern I have. If we do not get a handle on these weather disturbances, we are going to see more and more extreme weather disturbances which can impact hundreds of millions if not billions of people.

Drought is an aesthetic issue. Seeing lakes dry up, and the repercussions of that, of flooding, and the impact that global warming will have on the loss of clean drinking water, and the desperation people will experience as a result of that, is also an aesthetic issue.

So I understand that people have differences of opinion about how things look. I do not like the look of global warming, and I think we should reject soundly Senator Alexander’s amendment.

Thank you, Mr. President.

Mr. ALEXANDER. Mr. President, how much time remains?

Mr. PRESIDING OFFICER. Sixteen minutes.

Mr. ALEXANDER. I will take just a few of those, unless the Senator from Iowa wishes to speak now.

I appreciate the comments of the Senator from Colorado, and I know the Senator from Vermont as well has strong and deeply held views on this subject. So do I. I would only respond in these ways: I don’t think it is necessary to destroy the environment in order to save the environment. I think there are more sensible ways to save the environment than to use tax dollars to encourage people to put up these 12-story white towers of red lights in their own neighborhoods.

There is some talk about Congress interfering with land use. Well, what happens here is that when the Congress gives out tax money—my tax money, your tax money—and says you can use it for this purpose, people do it. So the Congress is distorting land use decisions, in effect. So it is the other side that is interfering with local land use decisions.

Maybe we have different conceptions of what the word “small” means. A 100-kilowatt tower is—can be 12 stories high. So we are not talking about your grandmother’s windmill that snuggles up cordily next to the barn: we are talking about your neighbor in New Jersey or Tennessee or Vermont who comes in and says: Hey, I have a great idea. I am going to put up a 12-story tower in my front yard with your tax money. Now, if that person wants to do that and local land use decisions permit that, then that is not the business of the Federal Government. We don’t need to be encouraging it in residential areas. All I am saying is this is a farm bill, and what I am trying to say is we should limit these subsidies to rural areas.

The Senator from Colorado said this would be a crippling blow to the wind effort. I believe that suggestion, if I may respectfully say, is overblown. The biggest—through the renewable electricity production tax credit alone, the U.S. taxpayer will spend $11.5 billion on wind energy over 10 years, between 2007 and 2016. This doesn’t begin to count other Federal, State, or local subsidies for wind. So without this subsidy, we are spending $11.5 billion for wind.

According to the Joint Committee on Taxation, by the year 2009 this wind subsidy and the production tax credit that is already in the law will be the single largest Federal tax expenditure for energy in the United States. Yet it only produces seven-tenths of 1 percent of the electricity we use. To put it in a little perspective—and I mentioned last year today, I am sure you will remember this. According to the Joint Tax Committee, all the subsidies we give to oil and gas through taxes, according to the Joint Tax Committee, are $2.7 billion in the year 2009. The wind subsidies are $1.3 billion. Well, we use oil and gas about 25 percent of all of the oil and gas in the world in this great big economy of ours. We don’t use much of it to make electricity, but we have a $2.7 billion taxpayer investment in that, and that is debatable. It only seems to me that we are spending $1.3 billion—nearly half as much—on these large wind turbines, and they are not producing much power—not much power at all.

Just so everyone understands, half of our electricity is produced by coal. Eighty percent of our carbon-free electricity is produced by nuclear power. I didn’t hear my friends on the other side say a word about nuclear power.

Climate change is an inconvenient truth, Al Gore said. I am not one of those who believe that just because Al Gore said it means it is wrong. I believe climate change is a very serious problem for our country and our world. I am working hard to change that so that we can be a part of the solution. Just now, the energy policy that is in place only produces seven-tenths of 1 percent of all of the oil and gas in the world.Carbon-free energy is produced by nuclear power, No. 2.

The other amendment I support is No. 1, and—in this generation, at least—nuclear power. The American people have a right to know the truth about nuclear power.

Climate change is a very serious problem for our country and our world. We are being deluding ourselves into thinking we are dealing with climate change when, in fact, we are ignoring the real solutions to climate change, which are conservation, No. 1, and—in this generation, at least—nuclear power, No. 2.

So that is my reason for making this amendment. This is a farm bill. If we are going to subsidize wind turbines in the farm bill, let’s do it on farms. Let’s not take my tax money and give it to your neighbor and say: You can put a 12-story white tower next door, and we would like to encourage you to do that in your residential neighborhood. I don’t think that makes common sense. These extraordinary subsidies for wind is we are encouraging people to build large wind turbines in areas where the wind doesn’t blow just so they can make some money on it all of these huge generous subsidies, and we are deluding ourselves into thinking we are dealing with climate change when, in fact, we are ignoring the real solutions to climate change, which are conservation, No. 1, and—in this generation, at least—nuclear power, No. 2.

So that is my reason for making this amendment. This is a farm bill. If we are going to subsidize wind turbines in the farm bill, let’s do it on farms. Let’s not take my tax money and give it to your neighbor and say: You can put up a 12-story white tower next door, and we would like to encourage you to do that in your residential neighborhood. I don’t think that makes common sense. Once it starts happening, neighborhood after neighborhood after neighborhood, I don’t think that makes common sense. Once it starts happening, neighborhood after neighborhood after neighborhood, I think a lot of taxpayers are going to be calling their U.S. Senator and saying: You did what? You did what? Why didn’t you vote for our support? Why didn’t you vote to have clean coal technology? Why didn’t you vote to build more nuclear power plants, which are the real way to do carbon-free energy? Why are you supporting to solve climate change by putting up 12-story towers or encouraging them to be put up in my neighbor’s front yard?

So I hope my colleagues will recognize that the wiser vote today is for the Alexander amendment because that will make possible new subsidies, in addition to all of the other subsidies, for wind turbines in rural areas. They call them small, but they are up to 12 stories tall. My amendment makes it clear that there is no interference with local land use rules about what kind of towers may go up and down.

Of course, the other amendment I proposed would help get the research programs back on track at our land grant universities which have been so valuable in helping raise farm incomes and creating jobs in this country.
I thank the President, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, let me speak briefly in opposition to one of the amendments that Senator Alexander from Tennessee has offered. It is amendment No. 3551.

I think one of the most important things we can do in order to encourage development of renewable resources is to encourage construction of power lines to bring the power from where it is produced to where it is needed. Many of the best areas for development of wind and solar power are in remote parts of our country. That is in the upper midwest Plains States or in the desert southwest in particular. Lack of transmission from these remote locations is seriously hampering the great potential for the generation of electricity from these resources.

Many such places are expensive and often face local opposition from landowners and residents across whose lands the lines have to be built. The farm bill, section 12302, attempts to address the problem by creating a tax incentive to encourage farmers and ranchers and landowners to allow transmission lines to be built across their property. Landowners receive a payment whenever they agree to the siting of a transmission tower on their land, and these payments are currently taxable. Amendment No. 3552 would make those payments tax exempt if the power that is carried on the lines comes primarily from a renewable generator that is eligible for the renewable production tax credit. Senator Alexander’s amendment here would strike that section. The cost of that section, as I have been advised, is $91 million over 5 years—a little less than $20 million per year.

It is clear from reports of the Western Governors Association and many others that we are going to need substantial construction of new transmission lines throughout the West in the next several years if we are going to increase use of renewable energy. Transmission lines have a more benefit than just to the generator. They enhance the reliability of the transmission system. They help break bottlenecks that make generation more expensive than it needs to be. They also help local economies in opening areas that have been closed to development. My own view is that this tax exemption would help to encourage farmers and ranchers to seriously consider the siting of transmission lines in locations where it makes sense.

Senator Alexander argues that wind power receives enormous subsidies under current law and under the Energy bill that is being debated. It is difficult, of course, to look into the future, but if you look at the last 5 years, according to a GAO report issued this year, the Department of Energy received $11.5 billion in funding for electricity-related research and development, and $6.2 billion of that went to fund nuclear power research and development and $3.1 billion went to fund fossil fuel generation. Mr. President, $1.4 billion went to all renewables—not just wind but all renewables combined. GAO also estimated that during that same period, fossil fuel tax incentives received about $13.7 billion in tax expenditures, and renewables, about $2.8 billion. When new nuclear power facilities are built—and there are some now on the verge of being built—they will receive very generous tax incentives, under current law. I have supported those tax credits. I believe, as the Senator from Tennessee said, that nuclear power is an essential part of the solution to global warming and a central part of the solution to our future energy needs, but I believe alternative renewable power also fits in that category. For decades now, fossil fuel generation and nuclear power have received the lion’s share of Federal support. If renewables are to take their rightful place in the market, we need to be providing support to them on an equal footing. I believe that an exemption extended to farmers and ranchers, who deserve adequate compensation when their land is used, is good public policy.

I know the Senator from Tennessee is proposing that the funds involved here would be shifted over to a land grant research program that Senator Alexander wants to fund. That is a good program. I understand the managers of the bill and working on funding for this program to be included in—increased funding for this program to be included in the managers’ amendment. I would argue that there are better places to look for paying for that program than from the incentives for farmers and ranchers to engage in such a worthwhile project. So I would urge a “no” vote on that amendment by the Senator from Tennessee.

Mr. President, I yield the floor.

Mr. CRAIG. I thank the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from Idaho?

Mr. ALEXANDER. Mr. President, I would like to conclude my remarks, if that would be all right.

Mr. CRAIG. May I ask how much time remains in opposition to the Alexander amendment?

The PRESIDING OFFICER. The Senator from New Mexico controls 4 minutes. The Senator from Colorado controls 1 minute.

Mr. CRAIG. I thank the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, just a few remarks.

I appreciate the comments of the Senator, who is chairman of the Energy Committee, and I appreciate his support for nuclear power, which is 80 percent of our carbon-free electricity in America even though it is only 20 percent.

I will discuss briefly his point on my amendment that would seek to restore funding to the program for land grant universities. If the managers are able to find some extra money, that would be terrific, but it ought to be in addition to the $74 million I have proposed. The House proposes to spend $600 million over the last 3 years in the farm bill. I am proposing to spend $74 million.

Second, one of the problems with the section I am seeking to strike is that it appears to apply retroactively to transmission towers. I see no reason for that. A larger problem is that wind doesn’t need more subsidies. The Senator talked about subsidies to other forms of energy for research and development. I have yet to hear anybody contradict the fact that the taxpayer, specifically the Joint Committee on Taxation, will spend $11.5 billion on wind energy over the next 10 years, which today produces less than 1 percent of our electricity, and only when the winds blow.

Even if you have wind turbines all over America, you still need nuclear plants, conservation, coal plants, and a base load of electricity. There is a long list of Federal subsidies for wind energy and, in addition, clean, renewable energy and the Defense energy incentive program, et cetera, including State programs. What is happening is that we are encouraging people to build wind turbines, as they have on Buffalo Mountain in Tennessee, in places where the wind doesn’t blow, just to make the money the Federal Government provides in subsidies.

Finally, I think the greatest, most specific argument against the idea of giving tax breaks to landowners, where you are going to build new transmission lines, is this: This would mean the Tennessee taxpayer would be taxed to pay for transmission lines in New Mexico, South Dakota, or Texas to pay for utilities’ transmission lines in New Mexico, South Dakota, and Illinois. They should pay for them themselves.

Mr. President, that concludes my remarks.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak for up to 5 minutes in opposition to the Alexander amendment.

Mr. HARKIN. Mr. President, reserving the right to object, how much time remains, or how much time does the Senator from Iowa have on this amendment?

The ACTING PRESIDENT pro tempore. Five minutes remain in opposition.
Mr. HARKIN. How much time does Senator BINGAMAN have?

The ACTING PRESIDENT pro tempore. That includes his time.

Mr. HARKIN. Mr. President, I yield that time to the Senator from Idaho.

The PRESIDENT pro tempore. The Senator from Idaho is recognized for 5 minutes.

Mr. CRAIG. Mr. President, it is rare that I disagree with my friend from Tennessee, especially on energy issues. We are very much in concert on how we not only deal with climate change, in many instances, but how we build a full energy portfolio for our country that makes us increasingly independent of foreign nations and oil-producing nations.

One of the ways to do it, in my opinion, is to promote all sources of energy. While there are wind turbines going up in Idaho and in locations that I don’t necessarily care for, I have very much supported and will continue to support wind, and I support small wind. I say that in respect to the provision within the bill and in opposition to what the Senator from Tennessee is trying to do. Not only is it important that we produce as much as we possibly can from the Northwest, our Nation is rapidly growing in deficit as it relates to energy production in nearly all segments. I agree you don’t produce electricity when the wind doesn’t blow; but when it does, you do.

It will give you an example of a small company in Idaho that a few years ago, with little Federal assistance, built an obscure building out on the high deserts of Idaho, tapped underground water and brought in some electrolysis equipment, put up small wind turbines, exactly the kind the Senator from Tennessee is talking about. Those turbines produce 25 percent of their electrical needs. When you add that 25 percent wind turbine capability to their online use of electricity, they produce hydrogen in a profitable way that users of electricity can be filled by this small hydrogen-producing company, what made it profitable, was to sell hydrogen to other uses; I have changed my mind over the years in rapidly encouraging all kinds of clean energy production. Wind certainly is clean, hydro is clean, and photovoltaic is clean. We need all of the rest, but we need to get increasingly a cleaner energy portfolio, following what I’m doing that. It is not the cure-all. And I agree with the Senator from Tennessee that nuclear, without question, is the base-loading generation capability that is clean, that is in our current technology base that, thank goodness, America has awakened to and we are beginning to see that happening. We are seeing the licensing of new nuclear reactors and we will be able, within the decade, to see multiple reactors coming on line to produce energy. But there is no doubt that conservation, supplementation by wind, and all other sources remain important pieces of that total package.

I oppose the Alexander amendment. I hope we support small wind development along with large wind development. Is it pricey? Yes, it is; it is not inexpensive. I believe right now we are spending upward of a billion dollars a day offshore to foreign nations to buy their oil. The more money we can keep onshore or within our energy enterprises, and the consumer, we ought to be doing. This is one way to do it.

The ACTING PRESIDENT pro tempore. The Senator’s time has expired.

Who yields time?

Mr. HARKIN. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. The sponsor has 21⁄2 minutes.

Mr. ALEXANDER. We yield back our time.

The ACTING PRESIDENT pro tempore. All time is yielded back.

Mr. HARKIN. Mr. President, I thank the Senator from Tennessee and all the Senators speaking on that amendment, for or against it.

Under the unanimous subsequent request, we will turn to the Gregg amendment No. 3673. There will be 2 hours evenly divided. I say to the Senators, if you are opposed or for the Gregg amendment No. 3673, which would cap noneconomic damages in OB/GYN medical malpractice lawsuits, if Senators want to speak on that, we are on it now, with 2 hours evenly divided. Hopefully, we can reduce that time. I ask Senators to please come to the floor if they want to speak.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I appreciate the courtesy of the chairman of the Agriculture Committee. I will speak on our amendment dealing with how we get more doctors to be able to care for women in rural communities. We have a real crisis in rural America today. There is a significant shortage of doctors who deliver babies. This is purely a function of one fact, and that is doctors are so aggressive in pursuing doctors who deliver babies with lawsuits, they have essentially created a cost of liability insurance for doctors who deliver babies—OB/GYN—that is so high that a doctor practicing in a rural community who is there to help women having children, deliver those babies safely, that type of doctor cannot make ends meet. That sounds unusual, but that is a fact.

In order for a doctor to generate enough income to simply pay the liability insurance, which is generated by the large number of lawsuits filed against doctors in this country by the trial bar, it is necessary for an OB/GYN—a doctor who delivers babies—to have a very large basically urban or suburban clientele. When you get into rural America and you don’t have a lot of people per square mile, where you have people who work on farms and those farms take up a fair amount of land, then you can’t support the population base necessary for these doctors to practice and generate enough income to pay the liability insurance.

What we are proposing in this amendment is a very narrow proposal. It doesn’t say that the incompetent, or doctors who, unfortunately, make a mistake won’t be sued. It doesn’t say that at all. It simply says that in the area of rural America where we need to attract doctors so women have adequate health care, especially if they are having children, in those parts of the country—from the standpoint of population, a small part of the country—we are going to have a special consideration that allows doctors to be able to afford their liability insurance.

We are going to follow what has happened in the law that has been set up in Texas and California, two States which have confronted this issue of liability insurance for doctors and have come up with a plan that has alleviated the cost of the insurance so doctors are able to practice in those States. It essentially says that in the area of economic recovery, you can recover every expendi-ture; but if you have been injured as a result of malpractice on the part of a doctor delivering a baby in a rural area.

But in the area of pain and suffering, where so much of the huge awards occur, and where you have had those real decisions that have been in the numbers that are multiple millions, that won’t happen any longer. We are going to limit recovery in the pain and suffering area to what has been the standard in Texas and California, which is $750,000 per incident. The practical effect of this is very simple. It will mean doctors who wish to practice in rural America, who wish to deliver
babies for farm families and for other families who live in rural America will be able to pursue those practices and still make a living, something they cannot do in many parts of this country today, so women in these communities will not have to drive for miles and miles to get health care, especially when they are having children.

I know in my State of New Hampshire, if you get north of the White Mountains, one of the prettiest parts of this world, we have a very difficult time attracting obstetricians. In fact, right now, I don’t think there is anybody practicing obstetrics up there because of the fact the population base is so small it cannot support those practices at a level that allows doctors in that region to be able to pay their malpractice insurance. So women in that part of New Hampshire often have to drive all the way to Hanover, NH, to Dartmouth-Hitchcock, which is a superb hospital, or down to Laconia, which has a superb hospital. But they literally have to drive through the mountains 2 to 3 hours to get to those facilities. It can be extremely difficult in the middle of winter to drive those roads. In the summer, obviously, it is not fair to ask people to drive those long distances.

This is a very significant issue for rural America and for farm families in America. That is why I have offered it on the front burner.

The other side of the aisle, for whatever reason—I know the reason, we all know the reason, the trial bar—has decided to resist this amendment aggressively. They have demanded we have 60 votes before we can adopt this amendment. They have basically said: We don’t care that women in America who live in rural America are not able to get adequate health care. What we care about is the trial lawyer bar, and that is unfortunate. It is a reflection of the politics of our time.

The single largest contributing group to the Democratic Party today is the Trial Lawyers Association. Those trial lawyers contribute to the Democratic Party for a reason: They want them to support their agenda. There is a simpatico there. Their agenda is supported essentially by the Democratic leadership in this Congress and in prior Congresses. The trial bar agenda includes not only opening the issue of limiting liability relative to doctors—any opening. Even something as reasonable as this which is so needed from the standpoint of health care policy, which is so needed from the standpoint of good care of children and mothers in a prenatal state, so needed in the basic fairness for American citizens is resisted, not because it is not a good idea but because they see it as an opening, a slight crack in that door of their ability to lobby these massive laws that restrict the ability of obstetricians across the country or for basically against the medical community generally. They do not want any crack in that door to occur, even if the crack in the door is meant to give American women who live in rural communities, whose families work on farms, the opportunity to be assured decent health care, especially when they are in the process of having and raising a child.

It is true that we have reached that point in this Congress where very reasonable public policy, which is to make it possible for more doctors to practice in rural America, is resisted in a knee-jerk way which has no relation to our country getting stronger, our people more healthy, and especially giving people who work in farm America a better opportunity to live a quality life, especially if they are having children.

This is not an attempt in any way to limit the ability of women who are having children and find there is some negligent event occurring as a result of a doctor’s care to get a recovery. This amendment does not have that impact. This amendment is in here. It tracks what happens if you live in Texas. It tracks pretty much what happens if you live in California. So it is not an attempt to do some draconian effort to basically shut down lawsuits against doctors who may make mistakes in rural America. Just the opposite. It leaves those lawsuits on the table. It makes them possible. It gives adequate and fair recovery that is allowed for people in two of our most popular States.

What it does do and what it is almost guaranteed to do is to bring more doctors into rural America.

It is interesting to look at the Texas experience because prior to Texas passing its law, which basically tracks this language, they had a very serious, basically a crisis in the area of having OB/GYNs practice in Texas. Now they have a massive backlog of OB/GYNs who want to move to Texas to practice. They have a big backlog. They have a problem situation. They now have a situation where doctors see Texas as a good place to practice. So health care, for women especially of childbearing age, is improving dramatically because there are a lot more doctors available.

Their biggest problem right now is making sure the doctors who want to come into their State have the quality and ability to do the job right. So they have a big backlog now. That is a complete shift from what happened during the period prior to their passing the law. That applies to everybody, but in the OB/GYN area, they lost 14 doctors, 14 obstetricians during the period 2003, but since they passed their law, they have gained almost 200 obstetricians in the State. That is a big difference. That means a lot of people are seeing doctors who were not able to see them before.

We ought to give that same opportunity to rural America, generally, and especially to farm families. That is why I have offered this amendment.

It is not a big amendment in the sense of dramatic health care changes for the world or for the United States, generally, but it is a big amendment if you are a woman whose family works on a farm and you want to have a child because—hopefully, if this amendment is adopted—you are going to be able to see a doctor without having to drive 4 or 5 hours on a snowy day, and that is important. It is important to that person, and it should be something we would do as a matter of decency and fairness and especially as a matter of good public policy relative to health care in this country.

I hope people will support this amendment. I understand the other side of the aisle wants to debate a little while longer. That is fine. I understand they want 60 votes. That seems highly inappropriate to me, but that was the agreement that was reached between the leadership.

As I said, I am not trying to stop this bill. It does seem to me there ought to be 60 Members of the Senate to stand up and say they want 60 votes. That seems like we have done enough kowtowing to trial lawyers on this issue. It is time to do something for the women who live and work in rural America and make sure they have adequate access to health care especially to doctors who can care for them in those important and special years when they are having children.

Mr. President, I ask unanimous consent that the following Senators be added as original co-sponsors to amendment No. 3673: Senator LANDREI, Senator ALLAIRD, Senator CORNYN, Senator CORKER, Senator DOLE, Senator HUTCHISON, and Senator VINOVIICH.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent to have printed in the RECORD letters of support representing the following groups: The American College of Obstetricians and Gynecologists, the American Academy of Dermatology Association, the American Association of Neurological Surgeons, the American Association of Orthopaedic Surgeons, the American College of Emergency Physicians, the American Gastroenterological Association, the American Society of Cataract and Refractive Surgery, the American Urological Association, the Congress of Neurological Surgeons, the National Association of Spine Specialists, and the College of American Pathologists.

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


Hon. Judd Gregg, Senator Office Building, Washington, DC.

Dear Senator Gregg, The American College of Obstetricians and Gynecologists (ACOG), representing 51,000 physicians and partners in women's health care throughout the country, strongly supports your Amendment 3673 to H.R. 2419, the Healthy Mothers and Healthy Babies
Rural Access to Care Act. We commend your continued leadership and efforts to resolve the medical liability crisis facing this nation and to protect access to health care for our nation’s women and children.

As you well know, the medical liability environment is driving good doctors out of practice or out of their home states. And when ob-gyns discontinue their practice, obstetrics, refuse high-risk patients, or reduce their surgical practice, women’s health care suffers. This has been a problem in the rural areas of several states—including West Virginia, Ohio, Nevada, Missouri and Michigan—which had some of the highest base rate premiums for ob-gyns in the country last year.

Perhaps most troubling is the effect of the crisis on young physicians. A 2006 survey of doctors in their first year of obstetric residency, the last year before they enter patient care, confirmed that a state’s liability climate has a powerful impact on where and how they will practice. A third of residents indicated they had been warned or advised to leave their current location because of liability concerns and nearly half were already considering limiting the type and scope of their practice. Residents named 7 states they would avoid altogether: Florida, Pennsylvania, New York, Nevada, Illinois, New Jersey and West Virginia.

ACOG is deeply committed to resolving the medical liability crisis and supports federal legislation to enact reforms such as the ones that have been so effective in Texas and California. ACOG supports, in particular, provisions in your amendment which would cap non-economic damages, limit the number of years a plaintiff has to file a health care liability action, allocate damages in proportion to a party’s degree of fault, andplace reasonable limits on punitive damages. ACOG believes these provisions will help solve the medical liability crisis. We urge the Senate to move quickly to enact legislation that will provide relief to physicians and ensure continued availability of quality health care for our patients.

Sincerely,

KENNETH L. NOLLER, President
December 11, 2007

Hon. JUDG GREGG, Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR GREGG: As the United States Senate considers S. 2392, the Food and Energy Security Act of 2007, the College of American Pathologists (CAP), representing 16,000 pathologists and laboratory specialists, supports your amendment based on legislation you introduced, the Healthy Mothers and Healthy Babies Rural Access to Care Act. S. 241. Your amendment addresses the medical liability crisis facing rural obstetricians and the women they serve. It also represents a good first step towards comprehensive liability reform for all physicians.

Pathologists work closely with their obstetrician colleagues in caring for women’s health care needs, including providing Pap tests and other tests on gestating or newborn patients. We witness the effects of exorbitant insurance costs on obstetricians in our own communities when they are forced to scale back their practices.

In fact, an estimated 1 out of 7 obstetricians nationwide have stopped delivering babies altogether.

The obstetric liability crisis requires a national solution designed to help patients, not lawyers. Your amendment’s $750,000 cap on non-economic damages, which includes a $250,000 cap for rural obstetricians, is a thoughtful reform that will help ensure that women have access to affordable quality care while preserving their right to a trial by jury.

Another, the College of American Pathologists supports your amendment.

Sincerely,

JOHN SCOTT, Vice President, Division of Advocacy

Mr. GREGG. Mr. President, I yield the floor and yield to the Senator from Colorado on my time.

The ACTING PRESIDENT pro tempore, The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, I thank Senator Gregg from New Hampshire for his amendment. This is a commonsense amendment, and I think it is entirely appropriate to have it on the agriculture bill because it is one that will make a difference in rural America.

I support the amendment which is called the Healthy Mothers and Healthy Babies Access to Care amendment, that contains measures for targeted liability reform directed at curtailing the number of frivolous lawsuits. It also establishes for expert witness rules, promotes fairness in the recovery of health benefits, and attempts to prevent double recovery.

This language also raises the burden of proof for the award of punitive damages and protects providers from being a party in liability suits for FDA-approved products.

Last, it keeps a focus on the patient by attempting to curtail frivolous lawsuits.

In my State of Colorado, tort reform laws were enacted beginning in 1986. At that time, I happened to have been in the State legislature and carried much of the legislation that brought about a tort reform agenda for the State of Colorado.

Colorado created caps for non-economic damages. They are considered to be among the most reasonable in the country. Frankly, many OB/GYNs see the tort reform laws in Colorado as beneficial to their practice and that is a reason to move their practice to Colorado.

However, although they find practicing in Colorado to be preferable,
problems for OB/GYNs still exist in our rural areas. That is why I am here to support the Gregg amendment, even though in Colorado we have done a lot to try to reduce the burden of frivolous lawsuits it has little impact because practices in the State of rural areas have to go into our neighboring States and practice in those neighboring States. As a result, they get impacted when they go over to those States, even though we have a favorable environment in the State of Colorado.

It is not always easy to get across a mountain in a snowstorm, such as we had in the last few weeks, so you go to patients in Utah, for example, or maybe New Mexico, if you are on some of the border communities.

Many physicians who serve in most rural areas of Colorado live in towns bordering other States. Because of the reduce of physicians in rural areas, it is now necessary for them to travel to patients to ensure mothers in rural areas receive treatment. It often involves crossing State lines so they may serve patients in rural areas of Wyoming, Kansas, Oklahoma, New Mexico, Arizona, and Utah. They are all neighbors of the State of Colorado. In many cases, the laws in these States do not protect the physician to the extent those in Colorado do and at the very least increase costs for physicians.

Rural patients in this country need access to care and treatment, plain and simple. If we continue to let trial lawyers create an environment where physicians cannot afford malpractice insurance, we run the risk of leaving our rural mothers without access to the doctors they need. So even though we have favorable tort reform provisions in Colorado, the liability laws in the neighboring States, our neighbors do not, and it is having an impact especially in the rural communities of Colorado that border our neighboring States. The fact is, it makes it more difficult to attract doctors who want to practice obstetrics in those rural communities.

In Texas, a good example where legislation most recently went into effect, amazing things have happened since September of 2003. They have added nearly 4,000 doctors, insurance premiums have declined, and the number of lawsuits filed against doctors has been cut in half. I absolutely believe a focus needs to be made on liability lawsuits, especially in the area of increasing the liability burden that is producing the liability burden that is producing the liability burden that is produced by frivolous lawsuits. So I have seen it happen in my own State as well as the State of Texas.

I will continue to do my best to ensure that women and their children, especially those in rural areas, have access to quality health care and that frivolous lawsuits do not continue to line the pockets of the plaintiff's bar. For these reasons, I lend my support to Senator GREGG as we move forward on the passage of his amendment.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mrs. BOXER. Mr. President, I ask unanimous consent to have 10 minutes from the opposition's time.

The Acting President pro tempore. Without objection, it is so ordered. The Senator is recognized.

Mrs. BOXER. Mr. President, I was listening to this debate and was looking forward to these amendments on the farm bill, and all of a sudden I am hearing about pregnant women, and having babies, and suing doctors, and I am thinking: What bill are we on? Why on Earth do we have an attack on women in this farm bill? And it is an attack on women in rural areas when you say we are going to have tort reform and we are aiming it at the women in rural America because we don't like the fact that they may sue if there is malpractice.

Men often are the ones, they are doing things to help women. Watch out when that happens. Men come to this floor and say: Oh, we are going to take care of the women. This doesn't take care of women. This puts them at risk. And they say: Oh, many more doctors will come to work in the rural areas if you limit liability.

But look at Texas. What my friend from Colorado mentioned about Texas is untrue. We have the statistics. There are no more doctors in rural Texas after the passage of his amendment. What has happened is that women have had their rights taken away from them.

Now, again, my friends on the Republican side couch this as an attack on the trial lawyers. Oh, the trial lawyers are evil, and all that. Watch out when people say lawyers are evil because when they are in trouble, the first thing they do is call the best lawyer in town. I have seen it myself, right here in the Senate. So watch out when you see a bundle of lawyers. I have to tell you, when a Member on the other side gets in trouble, the first thing they do is call the best lawyer in town, but they want to take away the rights of women to sue in a tragic situation.

There are numerous examples that I can talk about, but one example came to my attention for these purposes, just to show people on both sides of the aisle some of the terrible things that do happen in childbirth.

I am a grandmother, twice, and I have to tell you that in both cases—and even when I became a mom, twice—all very difficult; premature births, problems, long labors, concerns, breach babies. These are hard and difficult things, and OB/GYNs are my heroes. They are my heroes. Doctors are my heroes. But doctors make, sometimes, terrible errors, and they have to be held accountable or they will just go on and do it again and again.

Now, one farm bill, attack the women of rural America and take away their rights? Let's talk about this particular case of Donna Martin Harnett. She happened to be in Chicago. Her doctor decided her labor was not progressing quickly enough, so he prescribed a drug to help induce more contractions. Later, when her labor was not progressing, her doctor broke her water, found it was abnormal, and rushed her to the operating room. During that time, the doctor decided to continue to administer the drugs in hopes that the labor would progress.

Six hours later she had not delivered. Her son's fetal monitoring system became alarming, indicating the baby was in serious respiratory distress. The doctor finally decided, after all those hours, it was time to perform an emergency C-section, but it was another hour before Donna was taken into the operating room. During that time, the doctor failed to administer oxygen or an IV to help the baby breathe. After the baby was born, he remained in intensive care for 3 weeks, and she later learned he had suffered substantial damage because of a direct result of the doctor's failure to respond to indications of serious oxygen deprivation and delivery in a timely manner.

In addition to all that, her doctor told her not to have any more children because she had a problem with her DNA, indicating the fact that the child was disabled was in her DNA. And, he said: Any of your future children would similarly have mental and physical disabilities.

Clearly, he was protecting himself in that situation and putting the blame on her. Since then, Donna has given birth to three healthy sons. She sued the doctor responsible for Martin's delivery, and she received a settlement. That settlement is helping her cover the costs associated with Martin's care that are not covered by health insurance, such as the used wheelchair-accessible van she purchased for $50,000 and the $100,000 she spent renovating her home to make it wheelchair-accessible for her loving son. Martin is now 11. He will be at risk for health complications, including a terrifying incident in August when he almost bled to death because his trachea tube had rubbed a hole through an artery. But, he survived, and he is able to laugh and to love and to attend school in his community.

Now, how would she be able to afford to take care of Martin if she wasn't able to have just that settlement?

If there had been caps on the recovery system when my son was injured, it would have torn our family apart and Martin would be in an institution. Instead, he is able to live at home with us where we can take care of him and make sure he is happy.

Why on Earth do Senators in this body want to tell a woman like that: Too bad, no help, sorry. It is wrong. I have seen it in my own State. It is wrong. It tears families apart. Every-
Donna, to a mother such as Donna, to a loving family such as her family, who, yes, wanted to buy a van so it was possible for her to take her son in and to give her son a decent life.

You know, I don’t want to be a party to a situation where the mother such as Donna that she is just going to have to suffer for the mistakes of a physician. And let me be clear: I am a fan of physicians. I trust doctors. But, yes, they make mistakes. And when they make mistakes, they have to be held accountable, just as we all do if we are driving and we make a mistake.

To put a cap on this and tell a woman such as Donna: Sorry, your son is your problem, when, in fact, the problem was created by medical malpractice, is an outrage—an outrage.

Anyone who votes for this amendment is saying to the women in rural America: You don’t matter. So they can couch it as an attack on trial lawyers, they can do that all they want, but I represent a woman who has been mistreated in this fashion.

If we want to deal with issues such as malpractice insurance, count me in. If we want to make sure some made-up cap makes everyone happy, count me out. If we are doing here? Taking an amendment that doesn’t belong here and saying rural women are going to be picked on. That is what they are doing. I am just in disbelief that this is even before us. I hope we have a very strong and say how wonderful you are being to your son.

And to do this on the farm bill, it borders on the humorous, if it wasn’t so serious. Maybe we want to have an amendment about birthing calves on the farm bill or something like that. But what are we doing here? Taking an amendment that doesn’t belong here and saying rural women are going to be picked on. That is what they are doing. I am just in disbelief that this is even before us. I hope we have a very strong and say how wonderful you are being to your son.

As I say, in my own State, I have met with parents who are just at their wits’ end because of this travesty and they have a one-size-fits-all cap. I have met with parents whose child was born, there was malpractice, and the child is blind, the child is deaf, the child is sitting in a wheelchair. The mother and the father love that child. They are driven into poverty because the insurance will cover just so much. We say why? How can we say we are for families and mean it and then tell the women of rural America: Too bad, you cannot get what you deserve if a doctor makes a tragic—indeed, an unbelievably tragic—mistake.

You have to care for a child for the rest of that child’s life in the most loving way you can, but we are going to put a cap on what you are going to be able to spend on that child.

This is not the America I know. This is not a farm bill that should be turned into tort reform, some ideological quest by some of our colleagues. This is not an attack on lawyers; this is an attack on women.

I thank you for the opportunity to speak against this amendment, and I am looking forward to voting against it.

I yield the floor and suggest the amendment that is pending because I do believe that if we can have some malpractice reform, we can get more OB/GYN doctors, pediatricians, and doctors in general, in our rural areas.

As I travel in my State, I hear the complaints, and have for the last number of years, about lack of health care in our rural areas. It is one of our largest issues in this country today. I want to talk a little bit about our situation in Texas because the amendment before us is modeled somewhat on the law that did provide medical malpractice reform in Texas.

Before 2003, according to the Texas Department of Health, 158 counties had no obstetricians. 24 counties had no primary care physicians at all, and 138 counties had no pediatricians. Texas ranked 48 of the 50 States in physician manpower for our population. Why were we having such trouble? Because women were being driven out of Texas. In fact, the inability of doctors to provide health care in rural Texas because the claims were so high.

In 1991, Texas averaged 13 claims per 100 physicians. By 2000, Texas averaged 30 claims per 100 physicians. Of these claims, there was a disproportionate growth in noneconomic damages, damages such as pain and suffering. It was this growth, in contrast to awards of economic damages such as lost wages and medical care costs, that really spurred the increase in the medical malpractice premiums. The non-economic damages averaged 35 percent of total verdicts. By 1999, they averaged 65 percent. So the noneconomic damages—the pain and suffering damage—really doubled just in that 8-year period, not even taking into account the economic damages, which are certainly warranted damages when there is any kind of malpractice.

From 1999 to 2003, the average malpractice premium increase in Texas was almost 74 percent. That is the Medical Liability Trust, which covered about one-third of the State’s doctors in 2003, increased rates by 147.6 percent between 1999 and 2003. We are talking 4 years. In the Rio Grande Valley, physicians in general surgery and OB/GYN practices ranked 7th and 10th in the Nation for the highest premiums in 2002.

The impact of litigation on Texas’s health care system was undeniable and unsustainable.

Medical liability reform came about in 2003. There were bold changes in the tort system in an attempt to restore access to care. We have seen a dramatic change.
According to the Texas Medical Board, physician applications for State licensure have doubled from 2003 to 2007. The Texas Medical Board reports that since passing liability reform in Texas, Texas has experienced a gain of 195 OB/GYNs, 565 pediatricians, 189 ophthalmologists, 64 radiologists, 36 neurosurgeons, 497 emergency medicine physicians, and 37 pediatric cardiologists. Prior to reform, Texas had five liability carriers. Since reform, Texas has added 3 new rate-regulated carriers and 13 new unregulated insurers. The five largest insurers announced rate cuts in 2005, with an average premium reduction of 11.7 percent. These reductions produced $48 million in annual premium savings.

Medical liability reform does work. We have attempted, on the floor of the Senate, for many years to have a national medical liability reform, even just focusing it on OB/GYN doctors and emergency room doctors because there are so many all over the country of these kinds of services. There are shortages of physicians who are willing and able to perform these services because of the high medical malpractice insurance rates.

Everyone in our country, and certainly in the Senate, wants to make sure that if there is a medical error that causes an injury to a baby, to a mother, to anyone who is getting health care, certainly there should be penalties. There should be payment for economic damages. There should be payment for loss of wages and payment for pain and suffering. But if you have lawsuits where the pain and suffering start driving it rather than the economic damages and it starts to encroach on the ability of doctors, even if they have a clean record, to afford the rise in liability premiums, then I think we have to take a look.

It is particularly acute in our rural areas, where we have so many farmers, which you know, why Senator Gregg brought forward this amendment. I think it would be a great amendment to the farm bill to provide better access to health care for our farmers in this country. That is why. I am sure, Senator Gregg chose this bill, because we have not had the opportunity to address medical malpractice reform since we made the attempt last year in the Senate, which was utterly unsuccessful, to be honest.

Because the problem has gotten worse in many States and because the record in Texas after medical liability reform has caused so much better care, more access to care, and more satisfaction with care in Texas since the reform. I would like to see that model able to be reproduced around our country and especially in our rural areas, which is the subject of the bill before us today.

I yield the floor.

Mr. LEAHY. Mr. President, I oppose the amendment offered by Senator Gregg, among others. It is certainly not within the jurisdiction of the Senate Agriculture Committee, on which I have the honor to serve, but is within the jurisdiction of the Senate Judiciary Committee, which I have the honor to chair. It is something that should have looked at there, it would be like putting a Defense amendment on the Agriculture bill.

But far worse than just the question of where the jurisdiction is and why the amendment is put forward here, it would limit the legal rights of what rural women and children are eligible to receive when they are severely injured in our health care system. It does not provide protection for rural women and children. In fact, it leads to a lower standard of care by treating them differently than all other patients in the country. I am certainly not going to vote for something like this and go home to my State, which is a very rural State, and tell the women and children that I have the jurisdiction to have a second-class citizen. The amendment will overturn our State laws regarding the statute of limitations. It would limit the legal rights of our most vulnerable citizens.

I am always surprised at the other side when I hear, depending on what the issues are: We have to protect the States. We have to protect our State laws. We can’t have the Federal Government trample on the State laws. However, if it is something the major insurers want of course we will override State laws concerning the statute of limitations, we will limit the legal rights of our most vulnerable citizens.

Nothing remotely related to this novel legal treatment of severely injured rural women or children has even been debated or discussed in the Judiciary Committee. I suspect because nobody would take it seriously if you said we have to protect insurance companies, so we will lay the legs out from under rural women and children.

The amendment does nothing to protect rural victims of medical malpractice. It does nothing to prevent the serious injuries of malpractice in the first place. Caps on damages, such as the one in the pending amendment, would arbitrarily limit the compensation that the most seriously injured patients are able to receive. This says nothing of what it does to State legislators in the District and State legislatures by telling them that an amendment debated for a matter of minutes on the floor, in our judgment, is so much better than the laws of your State.

The central truth of the troubles of malpractice insurance is that it is a problem in the insurance system and industry, not in the tort system. High malpractice insurance premiums are not the direct result of malpractice lawsuits, verdicts. They have been enough statutes to prove that conclusively. Rather, they are the result of investment decisions by the insurance companies that resulted in business models geared to ever-increasing profits, as well as the cyclical hardening of the liability insurance market.

Instead of blaming lawyers or, worse yet, blaming the victims of medical malpractice, we should look at the amendment. Federal antitrust laws currently bestows on the insurance industry. They have a blanket exemption from Federal antitrust laws. Most people don’t realize that. We assume the law applies to everybody in this country, but these antitrust laws do not apply to these insurance companies.

Our antitrust laws for everybody else are the beacon of good competition practice, and when our antitrust laws are followed, consumers benefit. How? They get lower prices, they get more choices, and they invariably get better services. But when the insurance industry operates outside of the structure of antitrust laws, and they do not have to face any competition, then they are able to collude and set rates. When they do, our health care system, our physicians and our patients all suffer.

Earlier this year I introduced the bipartisan Insurance Industry Competition Act. S. 618, along with Senators SPECTER and LOTT and REID and LANDRIEU. It would assure that malpractice insurers and others could not artificially raise premiums and reduce benefits through collusion. This is a responsible solution to ensure competitive pricing—putting the burden on rural victims of medical malpractice is not.

If you were to try to put the burden on the rural victims, the women and children of rural America, for somebody else’s medical malpractice, that is not the way to solve the problems. Arbitrarily capping damages available to rural women and children does nothing to solve the flawed medical malpractice insurance market. It is a boon to companies that operate outside the antitrust system and can collude to set rates anywhere they want.

I would suggest that thoughtful, collaborative consideration in the Judiciary Committee where this discussion belongs, get a sensible solution that is fair to patients and can support those in our medical profession who want to practice quality health care.

This partisan amendment does not do this. It is not designed for a creative solution to a serious problem. Anyone who wants to vote for it, I hope they are prepared to go to their State legislatures, to their senators in the Senate Judiciary Committee where this discussion belongs, get a sensible solution that is fair to patients and can support those in our medical profession who want to practice quality health care.

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The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SUNUNU. Mr. President, I rise in support of Senator GREGG’s amendment. This is a frustrating issue because there are many factors that contribute to the lack of physicians who serve rural areas of America. We can escape the fact that rural areas of America are hard hit by this, especially by a critical lack of OB/GYN physicians.

We have an opportunity to try to address that problem. The cost of providing service in those areas is disproportionately high, in large measure, because of the cost of our liability system.

We can argue what the best way is to address the cost of the liability system. It might be easy to blame insurance companies, but there is no question we ought to look for common sense approaches to deal with this problem; otherwise, we are not going to increase the number of number of physicians who are practicing in rural America.

We have heard about the impact of State regulation from Senator HUTCHINSON, who spoke about his experience, and her State’s experience. Many States have taken action to put common sense controls in place on the overall cost of the liability system, by not limiting physical or economic damages for those who are harmed in malpractice cases, by simply putting common sense limits on noneconomic damages.

There are many States that have taken this approach, and it is important to note this amendment would not affect those States that have enacted their own set of laws. This amendment targets States that have made no attempts to address the problem. It targets rural areas of the country where it is most needed, to help those rural areas get better access, better service, to OB/GYN physicians.

While it may be frustrating, as Senator LEAHY noted, to see an insurance company that has made a bad investment decision—I am not happy about that, he is not happy about that, that it might have an impact on insurance costs—it is far worse to look at a rural part of America, a rural county, a rural city, a rural town, that has no access to the health care physician services it needs, because of spiraling liability costs in the system. I think this amendment is a good faith effort to begin to address that problem.

AMENDMENT NO. 3822

Mr. President, I wish to take another moment to address a second amendment Senator GREGG has offered. It is amendment No. 3822.

Mr. President, in the last few days, the morning temperatures in Manchester, NH, has been about 8 degrees; home heating oil costs are $3.27 per gallon. These are simply the cold, hard facts of winter in New England, 8 degrees and $3.27 per gallon.

As we continue debate this week on a comprehensive energy bill, I hope we keep those numbers in mind. I hope we take a hard look at programs such as LIHEAP, low-income fuel assistance, that can make a difference for families in New Hampshire and across the country.

The Federal Government has limited power to have an immediate impact on energy prices, whether it is a gallon of oil or a gallon of heating oil or natural gas. They can’t do that. Congress is in a poor position to have an affect on the laws of supply and demand, but we can help those who are most in need during a tough, cold winter; that program, as I indicated, is LIHEAP.

Simply put, LIHEAP funding works. It is administered by the States and local agencies that know and understand the people who need the assistance, and they deliver it in a very effective way. For the most part, the precurso bill to LIHEAP back in 1980, and in 2006, we allocated over $3 billion for LIHEAP.

Last year, under the continuing resolution, LIHEAP funding was roughly $1 billion less, and, unfortunately, the Department of Health and Human Services has only been able to release 75 percent of each State’s allocation.

I know that the Presiding Officer, Senator SANDERS, from Vermont, has worked on this issue. We signed letters together in the past, letters addressed to President Clinton, letters addressed to President Bush, letters addressed to Congress and appropriators.

Now we have in front of us an amendment offered by Senator GREGG, and one offered by Senator SANDERS as well, that would try to address the problem by adding to this farm bill nearly $1 billion in additional funds for LIHEAP.

If we look at some of the unnecessary funding in this farm bill, it becomes clear to Americans that we absolutely have the resources and the capacity to make those needed changes under the current budget framework.

I am pleased to join Senator GREGG as a cosponsor to his amendment that would appropriately fund this program. This has been a bipartisan issue, both in the House and in the Senate. I have worked with colleagues on both sides of the aisle to make this kind of funding a reality, and I think it is a tribute to LIHEAP that the program has been able to maintain a bipartisan support through the years.

We are pursuing a number of different ways to add these critical LIHEAP funds to this farm bill, as well as any appropriations legislation we consider in the coming weeks. Quite frankly, the people at home do not care how we go about it. They understand it has been awfully cold in New England the past week, and heating oil still costs well over $3 per gallon.

We need to get the job done. I am pleased to support the amendment and I hope it is adopted by my colleagues.
Mr. HARKIN. If the quorum call is put in now, might I ask the Chair to whom does the time run against?

The PRESIDING OFFICER. It is charged to the Senator who makes the suggestion there is an absence of a quorum.

Mr. HARKIN. Mr. President, I think it is only fair to ask unanimous consent any time under this quorum call be equally allocated to both sides.

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

Mr. HARKIN. We have a little over half an hour of time left on this side, about 20 minutes on the other side on this amendment. For those Senators, this is the medical malpractice amendment by Senator GREGG from New Hampshire. By consent, we had 2 hours of debate. The clock is running. If any Senators wish to speak on this amendment, they better hurry over here. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DURBIN. Mr. President, I rise in opposition to Gregg amendment No. 3673. He has entitled this amendment the Healthy Mothers and Healthy Babies Rural Access to Care Act. The reason it is called "rural access to care" is so he can fit it into the farm bill because it doesn’t have much, if anything, to do with the farm bill. It is a bill related to medical malpractice. It is an issue which Senator GREGG dutifully brings before the Senate as often as possible. I respect him for his point of view. I disagree with his point of view. But I think it must be clear to those who are following the debate what is involved in this bill and this amendment.

This is a farm bill that comes up once every 5 years. Senators HARKIN and CHABBLISS have worked hard to put together a bill dealing with farmers and ranchers, nutrition programs, so many other items. Some on the Republican side of the aisle have insisted that is not enough. They want to bring in a lot of unrelated issues and debate them on the farm bill. They were given permission, so, to do so, and Senator GREGG has done just that.

This amendment is important to understand. What Senator GREGG is saying is, there is one class of people in America who will be limited if they are victims of medical malpractice. This class of people in America will be limited in recovering for the damages sustained by them and their family, this class of people that will be limited are the women of America. Women of America will be the only ones limited in recovery in court if they or their children are injured in childbirth. What is the justice in that? No limitations on men for prostate surgery but limitations on women delivering babies? I don’t understand his logic, and I don’t think anyone, particularly if they happen to be a woman, can understand why he decided to single out women in America and restrict their recovery in court if they are innocent victims of medical malpractice. That is what he does.

The Senator argues that we have to address the high cost of medical liability insurance by limiting the damages. That is the reason he wants to limit the right of women in America to go into a courtroom and argue they were either hurt or their children were hurt or killed in the course of childbirth.

He claims his amendment will help ensure that rural women don’t have to drive long distances to see a “baby doctor.” But it is interesting, this amendment is patterned after a Texas law that did not have much of an effect on rural areas. I am sure the Senator from Texas, who will speak after me, will address this.

In 2003, Texas passed its law. At the time it passed, there were 152 counties in that State without an obstetrician, no doctor to deliver a baby. Today, 4 years after the passage of this Texas law limiting the right of recovery for women who were injured as a result of malpractice, the number has not changed. In Texas, 152 counties still have no obstetrician.

The fact that some counties don’t have an obstetrician may not be as much about medical malpractice premiums as it is about population. According to the American Medical Association, the number of OB/GYNs nationwide has risen from around 39,000 in the year 2000 to over 41,000 in 2004. So there are more obstetricians practicing. But that hasn’t changed the circumstances in rural Texas because the doctors who are practicing medicine involving the delivery of babies are practicing in cities and suburbs. The Gregg amendment doesn’t even address that reality.

Supporters of proposals such as the Gregg amendment like to argue that escalating malpractice premiums justify their effort to limit the right of malpractice victims by insurance companies have reduced premiums as a result. There is no linkage between the Gregg amendment and actually bringing down malpractice premiums.

This amendment limits the damages that can be recovered by victims. Keep in mind, these are victims who have legitimate claims in court. They are the ones Senator GREGG would deny recovery for the actual damages they have incurred.

Now, I will concede he allows some damages to be incurred—medical bills and the like. But he will even, I think, acknowledge there is a limitation on noneconomic damages of, I think—I read quickly through this—I think in this year’s version it is $250,000.

Now, if we want to turn this farm bill into a discussion on health care, the issue we should be focusing on is one I think we all agree has to be taken seriously. It is patient safety, medical errors... Dr. Carolyn Clancy, director of the Agency for Healthcare Research and Quality, has called medical errors or mistakes or malfunctioning medical devices.

A far-reaching study of the extent and cost of medical errors in our hospitals was published in the Journal of the American Medical Association in 2000. The authors of the study analyzed 7.45 million records from about 20 percent of U.S. hospitals. They found that injuries in U.S. hospitals in the year 2000—just 1 year—led to approximately 32,600 deaths, 2.4 million extra days of patient hospitalization, and additional costs of $32.9 billion. That did not include adverse drug reactions or malfunctioning medical devices.
The authors concluded that medical injuries in hospitals “pose a significant threat to patients and incur substantial costs to society.”

What does the Gregg amendment do about patient safety and medical errors? Nothing.

Here is what it does. It applies an arbitrary one-size-fits-all cap on noneconomic damages in malpractice cases won by the patients. What are noneconomic damages? Pain and suffering, disfigurement, physical impairment, and suffering. How do you put a price on that?

If a person is going to be incontinent for the rest of their life, if they are scarred in the face or another part of their body, if they are in pain and unable to function, is that worth something? In the mind of Senator GREGG, it is only worth $250,000—no matter what. That is it. If your pain is going to be with you for a year, 5 years, 10 years, or 20 years—the same amount, $250,000.

It would reduce the statute of limitations within which an injured patient can bring a lawsuit. It is more restrictive than the majority of the States in the Union, cutting off claims for injuries or diseases. If you do not file the claim on time, Senator GREGG says: Sorry. Bad luck. Sorry that this poor woman is not going to have a chance to recover, but that is the price she is going to have to pay for his reform.

It would also reduce the amount of damage awards because of other health or accident insurance the patient might have. Imagine for a minute that you have been wise enough, thoughtful enough, to buy health insurance to cover your self and your family. Your wife goes in to deliver a baby. The doctor makes a serious error. The wife is injured. The baby is injured, and the baby dies.

Now there are medical bills. Well, it turns out you had health insurance. Does that make a difference? No. The patient might have insurance coverage affects payments, how soon victims are compensated, and, of course, statutes of limitations.

The amendment only applies to lawsuits involving OB/GYNs in rural areas.

We just had a debate earlier about how much money we are going to give to people who grow asparagus. Yes, that was one of the amendments. Now we switch from that issue to a question about whether a mother who is giving birth to a child—where the doctor does not show up on time or does the wrong thing and the child is injured or dies—whether that mother can go to a court and receive compensation.

I think this is an amendment that should be defeated. I urge my colleagues to join me in voting against this amendment—to join me in supporting the basic concept that the States have been the source of statutory regulation of medical malpractice claims, to join me in saying it is not fair to pick out one class of people in America—in this case women living in rural areas—and to say they cannot have their day in court, to join me in saying we should be working together to reduce medical errors and make it safer to go to a hospital, make it safer to go to a doctor.

I respect the medical profession. I cannot tell you how many times in my life I have relied on a doctor or a hospital for care for a member of my family, and I think it is fair to say that in every single instance that my family was treated with kindness and respect. I believe that system has worked perfectly well, and I do not think, if they read this bill closely, they will believe it is fair or just. I do not.

Why would we want to treat rural mothers differently than those living in the suburbs? The amendment is the wrong solution to the wrong problem on the wrong bill. Congress should not decide what injured patients should receive. We have a system called the justice system. We have judges, and we take an average group of people in America—your neighbors and friends—11 or 12, and they sit in the jury box to listen to the deliberations and decide what is fair.

I guess I have more trust in those judges and juries. They do not always come in and award for the plaintiff. Before I came to Congress, I used to handle these lawsuits. I spent a number of years defending doctors and hospitals, and a number of years suing them for medical malpractice.

They talk about frivolous lawsuits. I want to tell you, we fought long and hard before we took a case in my office involving medical malpractice. They are complicated and expensive and went on for a long time. I was not going to take a case that I did not think I could win. It was not fair to the doctor. It was not fair to the plaintiff. It was not fair to the court. And it was not fair to the jury and my law practice. So we did not file anything we knew to be frivolous, just to make noise. We made a point of not doing that.

In this situation, for Senator GREGG to decide that a class of Americans—women in rural areas—are going to be denied their recovery in court, they are going to be treated differently—well, certainly this is a worthy topic for the Judiciary Committee and others to debate at some time about patient errors and medical safety, about malpractice and premiums. But to do it on a farm bill?
The influx, raising the State’s abysmally low ranking in physicians per capita, has flooded the medical board’s offices in Austin with applications for licenses, close to 2,000 at last count. It was hard to believe at first; we thought it was a spike. But Dr. Donald W. Patrick, executive director of the medical board and a neurosurgeon and lawyer. But Dr. Patrick said the trend—licenses up 18 percent since 2003—has held, with an even sharper jump of 30 percent in the last fiscal year, compared with the year before.

The article continues to talk about the experience of a pediatric neurosurgeon—a high-risk specialty:

Dr. Timothy George, 47, a pediatric neurosurgeon, credits the measure in part with attracting him and his long sought-after specialty last year to Austin from North Carolina. “Texas,” he said, “made it easier to practice and easier to take care of complex patients.”

Why would we want to make sure there are more pediatric neurosurgeons or specialists with that kind of ability and training and skills, to make that available to more children who need that skill? That is what this amendment would provide.

The article goes on to say:

The increases in doctors—double the rate of the population increase—has raised the state’s ranking in physicians per capita to 42nd—Up from 48th in 2001—according to the American Medical Association. It is most likely considerably higher now, according to the medical association, which takes two years to compile the standings.

The Texas Medical Board reports licensing—

More than 10,000 new physicians since 2003, up from roughly 8,000— in the prior 4 years. It issued a record 980 medical licenses at its last meeting in August, raising the number of doctors in Texas to 44.

Almost 45,000— with a backlog of nearly 2,500 applications. It is another example of people voting with their feet when we allow conditions to exist that allow doctors to practice their profession in a reasonable environment rather than appear as a victim of the litigation lottery. They are going to come, and more doctors—more high-risk specialties mean more patients are going to get access to the kind of health care they need.

We know of some of this have basically said: Well, people are going to be hurt if you limit non-economic caps. The fact is the people who are going to be hurt are the patients who are not going to be able to get the doctors. Of course, we can’t forget our friends, the trial lawyers, who usually take 40 to 50 percent of every award in a medical malpractice case. I submit that is part of the resistance we have here, because trial lawyers who specialize in these kinds of cases don’t make their living in the courtroom. They don’t care as much about access to health care as they do their own pocketbook.

In some medical specialties—

This article goes on to say—the gains have been especially striking.

For example, an increase of 186 obstetricians, 153 orthopedic surgeons, and 26 neurosurgeons.

This is the reason why physicians and health care providers have found it better place to practice their profession and why access to care has increased as a result.

This article goes on to say there was an average 21.3 percent drop in medical malpractice insurance premiums, not counting rebates for renewal.

Justice requires that we embrace a national reform, particularly in light of the fact that the American taxpayer, the Federal taxpayer, pays roughly 50 percent of every health care dollar in America today. This is no longer an isolated issue that can be handled or should be handled State by State. We ought to look at the reality, and that is that we need a Federal and national solution too. We are doing fine in Texas because we passed this reform 4 years ago. But shouldn’t we make sure that more Americans—particularly more pregnant women—have greater access to health care as a result of this commonsense reform?

As a matter of principle, those who have been wrongly injured deserve their day in court. No one is suggesting we ought to close or bar the courthouse door. If a doctor is at fault, he or she should be held fully accountable. But it should also at the same time take care not to destroy our health care system in order to protect unlimited damages and the lawyers who bring those lawsuits.

The Texas approach has proven successful. This bill would simply give the same boost to all Americans, particularly those most in need—particularly rural patients and more particularly pregnant women who need access to an obstetrician and gynecologist to take care of their baby. It would be a shame if our colleagues on the other side of the aisle continue to block, as they have done time and time again, commonsense reform legislation that is guaranteed and proven to give greater access to health care and doctors and to make sure all Americans have access to the best health care possible. I urge all of our colleagues to stand up for better access to rural health care, particularly in obstetrics and gynecology, by passing this important amendment.

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

Mr. COBURN. Mr. President, I wanted to speak for a few minutes on the Gregg amendment simply because I have unique personal experience with it. I am now somewhere close or over having delivered 4,000 children. The length—this legislation has provided.

But as the Senators know, there are issues of Germaneness that mean there is only a limited ability to deal with a part of the universe of the problem, and that part is Dr. Patrick has offered this legislation—which is called Healthy Mothers Access to Rural Care—on this particular bill.

This legislation, as Senator DURBIN notes, is a result of efforts that have taken place in my State, my home State of Texas. I would like to talk a little bit about the dramatic improvements in access to care that this commonsense legislation has provided.

This is the subject of an interesting story in the New York Times, dated October 5, 2007. The title of the story—apropos of my comments a moment ago—is “More Doctors in Texas After Malpractice Caps.”

I would say to the distinguished Senator from Illinois, this is not about denying people access to the courts and recovery. There is unlimited ability to sue for economic losses; noneconomic losses are specifically designed to deal with the kind of economic incident. But it does place reasonable caps on noneconomic losses, specifically pain and suffering.

The good news is, we do not have to guess as to whether this approach works. We know because it has worked in that laboratory of democracy known as the great State of Texas.

As I mentioned, this article highlights some of the successes of this legislation passed a few short years ago in Texas. For example, it says:

In Texas, it can be a long wait for a doctor: up to six months. [But] that is not for an appointment. That is the time it can take the Texas Medical Board to process applications to practice.

In other words, there have been so many doctors moving to Texas who want to get a Texas medical license because of these reforms that the number of doctors has increased dramatically, and, thus, access to care has increased dramatically throughout the State.

The article goes on to say:

Four years after Texas voters approved a constitutional amendment limiting awards in medical malpractice lawsuits, doctors are responding as supporters predicted, arriving from parts of the country to swell the ranks of specialists at Texas hospitals and bring professional health care to some long underserved rural areas.

This is particularly important, as the article notes, high-risk specialties such as obstetrics and gynecology and neurosurgery and other areas where it is hard to find doctors to come to practice because of skyrocketing medical malpractice rates.

We attach this provision, in Texas, 4 years ago, and what this amendment proposes are specifically designed to deal with those skyrocketing malpractice rates by providing some reasonable limits on recovery for noneconomic damages. It is fallacious to say it denies people access to the courthouse or recovery. It doesn’t do that at all. This article goes on to say:
which next year will come to about $3,000 per baby I deliver—$3,000 per baby, per case. Now, that is excessive because I don't deliver that many babies anymore. But on average, it is $300 to $400 to $500 for every baby that is delivered in this country in terms of malpractice insurance.

Why is it important to fix this problem, not just for OB/GYNs but for all doctors? Well, there are a couple of reasons. The cost of defensive medicine today on the basis of the litigious aspect of medical malpractice causes us to spend $600 per person per year on tests nobody needs, except the doctor needs to be able to say he went the extra mile in case they get sued. That comes to about $150 billion a year of tests that were ordered. That doesn't include the cost of the malpractice insurance, which the year before last in Oklahoma rose 98 percent—a 1-year rise. There are significant problems with the tort system in Oklahoma that show up costs. But importantly, what about the women and children? The heck with the money. What about the women and children? What happens?

Well, we know we are not filling the spots for the OB/GYN residencies in this country anymore because you can't afford to pay the loans and get a job and earn enough and then pay for your malpractice to be able to pay off your loan and make a living. So people are opting not to go into obstetrics and earn enough and then pay for this country anymore because you can't afford to pay the loans and get a job and earn enough and then pay for your malpractice to be able to pay off your loan and make a living. So people are opting not to go into obstetrics and gynecology. Why do they do that and what is the result of that? The result is we have fewer trained specialists to actually offer care. Who suffers the most? Women in the large cities or women in the smaller rural cities? The reason this is offered on this bill is because it has tremendous direct application to the women who live in rural America. Access is denied. We are now talking an hour, 2-hour, 3-hour drives for OB/GYNs in Oklahoma because we don't have the available people who will do this service.

There are two other points I want to make as we consider this, thinking only about the women and children. One is that because of the tort system we have, if you are a woman who has a C-section—not because you can't physically deliver a baby, but because you had a sign that your baby may be in trouble—the next time you come to have a child is an almost 100 percent chance that you could deliver that baby naturally, without having to undergo surgery. But because of the litigious environment, we now have hospitals all across the country that forbid vaginal delivery after cesarean section—not because it is that unsafe but because the risks associated with the procedure in terms of the legal consequences make it financially not a risk that hospitals want to take, let alone whether the doctor is capable of doing it and managing that patient at all.

So what does that mean? It means we expose women to a major surgical procedure, not because they need it but because the trial bar has forced them to do it. We are now making decisions not based on medical indications; we are making decisions based on legal implications. That is the wrong way to practice medicine.

Finally, the third point I will make is as we see this shortage of available obstetrical care in the rural areas, we say: We are going to give you care, but then we give you somebody who is not as good as you. We give you somebody who has some knowledge, and has some capability, but isn't a fully trained physician. We give you a nurse-midwife. But if you get in trouble, you are still going to have to have somebody come in. Well, what do we know about that? What we know is that time makes a significant amount of difference when we have a baby in trouble. So what we are going to do is we are going to continue to increase the costs of complicated deliveries, with children who get injured, when the whole goal of the tort bar in the first place was trying to prevent that, because we don't intercept and we don't interrupt a process that could have made a major difference in that child.

In my hospital, you can't deliver a baby unless you have the ability to do an operative procedure to handle every complication of obstetrics. But that is not true around the country anymore because we have decided we are going to do it in a less cost-efficient way. Mr. President, I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. On both sides.

Mr. COBURN. I am happy with that. The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COBURN. So our point is this: This isn't a perfect bill to be talking about this issue, but it truly has impact to our agricultural communities. They are the ones who live in the rural areas. What we have done is we have moved away from the legal medicine, rather than medicine. We are offering a care that is not as good as what it could have been. We are putting women through procedures that they don't have to go through with a tremendous increase in cost, all because we can't say there ought to be some type of limitation so we can rebuild the medical structure.

If we really believe in women and children, we will grant the same equality in the rural areas that we grant around the rest of this country by making sure they have competent, well-qualified, certified obstetricians and gynecologists to take care of them at this great time of their life.

I yield the floor.

The PRESIDING OFFICER (Mrs. McCaskill). The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, how much time do we have?

The PRESIDING OFFICER. The majority has 17 minutes.

Mr. KENNEDY. I yield myself 10 minutes.

Today's vote on the Gregg malpractice amendment is a test of the Senate's character. In the past, this body had the courage to resist the simplistic and ineffective responses proposed by those who contend that the only way to help doctors is to further hurt seriously injured patients. Unfortunately, as we saw in previous votes on this issue, congressional Republicans are again advocating a policy which will benefit neither doctors nor patients, only insurance companies. Caps on compensatory damages and punitive damages are not only unfair to the victims of malpractice, they do not result in a reduction of malpractice insurance premiums.

We must not sacrifice the fundamental legal rights of seriously injured pregnant women living in rural communities for the avarice of insurance company profits. We must not surrender our most vulnerable citizens—women and newborn babies—to the avarice of these companies. The idea of denying pregnant women living in rural areas the same legal rights as pregnant women living in urban areas is truly absurd. It is a transparent gimmick designed to make this amendment appear relevant to a totally unrelated farm bill.

This bill contains most of the same unreasonable provisions which have been decisively rejected by a bipartisan majority of the Senate many times before. The only difference is that previous proposals took basic rights away from all patients, while this bill takes those rights away only from women and newborn babies who happen to live in rural communities. That change does not make the legislation any more acceptable. On the contrary, it adds a new element of unfairness.

This legislation would deprive seriously injured patients of the right to recover fair compensation for their injuries by placing arbitrary caps on
compensation for non-economic loss in all obstetrical and gynecological cases involving women in rural areas. These caps will hurt patients who have suffered the most severe, life-altering injuries.

They are the children who suffered serious brain injuries at birth and will never be able to lead normal lives. They are the women who lost organs, reproductive capacity, and, in some cases even years of life. These are life-altering conditions. It would be ter-

ibly wrong to take their rights away. The Republicans talk about deterring frivolous cases, but caps by their na-
ture apply only to the most serious cases which have been proven in court. These badly injured patients are the last ones we should be depriving of fair compensa-
tion.

A person with a severe injury is not made whole merely by receiving reim-
bursement for medical bills and lost wages. Noneconomic damages com-
penate victims for the very real, though not easily quantifiable, loss in quality of life that results from a seri-
ous, permanent injury. It is absurd to suggest that $250,000 is fair compen-
sation for a child who is severely brain injured or one who is legally blind, and as a result, can never participate in the normal activi-
ties of day to day living; or for a woman who lost her reproductive ca-
pacity because of an OB/GYN’s malpractice.

Caps are totally arbitrary. They do not adjust the amount of the compen-
sation ceiling with either the seri-

ousness of the injury, or with the length of years that the victim must endure the resulting disability. Some-

one with a less serious injury can be fully compensated without reaching the cap. However, a patient with se-

vere, permanent injuries is prevented by the cap from receiving full compen-
sation for their more serious inju-

ries. Only a patient who has a life-al-

tering injury may only be permitted to receive a relatively small portion of the compen-
sation to which he or she is enti-
tled.

The proponents argue that they are somehow doing these women and their babies a favor by depriving them of the right to fair compensation when they are seriously injured. It is an Alice in Wonderland argument which they are making. Under their proposal, a woman in a rural county whose doctor negligently failed to diagnose her cer-
vical cancer until it had spread and be-
come incurable would be denied the same legal rights as a man living in the same county whose doctor negligently failed to diagnose his prostate cancer until it was too late. Is that fair? By what convoluted logic would that woman be better off? Both the woman and the man were condemned to suffer a painful and premature death as a re-

sult of their doctors’ malpractice, but her suffering would be limited while his would not. She would be denied the right to introduce the same evidence of medical negligence which he could. She would be denied the same freedom to select the lawyer of her choice which he had. She would be denied the right to have her case tried under the same judicial rules which he could. That hardly sounds like equal protection of the law to me. Yet that is precisely the result advocates of this legislation are proposing.

Consider another real world example of how this bill would work. A woman visits her OB/GYN to be treated for in-

fertility. The entire health care indus-

try from basic accountability for the care it provides to women and their in-

fant children. It is a stalking horse for broader legislation which would shield them from accountability in all health care decisions involving all patients. While those across the aisle like to talk about doctors, the real bene-

ficiaries will be insurance companies and large health care corporations. This legislation would enrich them at the expense of the most seriously in-

jured patients; women and children whose entire lives have been dev-

astated by medical neglect and cor-

porate abuse.

In the last few years, the entire na-
tion has been focused on the need for broader legislation which would shield defendants from the con-

sequences of its wrongdoing? Less accountability will never lead to better health care.

In addition to imposing caps, this legislation would place other major re-

strictions on seriously injured patients seeking to recover fair compensation. At every stage of the judicial process, it would create the very themselves and shield defendants from the con-

sequences of their actions.

(1) It would abolish joint and several liability for noneconomic damages. This means the most seriously injured people may never receive all of the compensation that the court has awarded to them. Under the amend-

ment, health care providers whose mis-

conduct contributed to the patient’s injuries will be able to escape responsi-

bility for paying full compensation to the victim by setting up a fund provided that they are acting in good faith.

This is not a better policy because it ap-
plies only to patients injured by ob-

stetrician and gynecological mal-

practice. That just makes it even more arbitrary.

The entire premise of this bill is both false and offensive. Our Republican col-

leagues claim that women and their ba-

bies in rural areas must sacrifice their fundamental legal rights in order to preserve access to OB/GYN care. The Republicans are simply paying lip service to the false premise that the availability of OB/GYN physicians depends on the enactment of draconian tort reforms. If that were accurate, states that have al-

ready enacted damage caps would have a higher number of OB/GYNs providing care. However, there is in fact no cor-

relation. States without caps actually have 28.2 OB/GYNs per 100,000 women, while states with caps have 27.9 OB/GYNs per 100,000 women. No dif-

ference.

And that is only one of many fal-

lacies in this bill. If the issue is truly access to obstetric and gynecological care, why has this bill been written to

shied from accountability HMOs that deny needed medical care to a woman suffering serious complications with her pregnancy, a pharmaceutical com-

pany that fails to warn of dangerous side effects caused by its new fertility drug, and a manufacturer that markets a defective drug that seriously injures the user. Who are the au-

thors of this legislation really trying to protect.

In reality, this legislation is designed to shield the entire health care indus-

try from basic accountability for the care it provides to women and their in-

fant children. It is a stalking horse for broader legislation which would shield them from accountability in all health care decisions involving all patients. While those across the aisle like to talk about doctors, the real bene-

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In the last few years, the entire na-
tion has been focused on the need for broader legislation which would shield defendants from the con-

sequences of their actions.
(3) This bill places extreme restrictions on the right of injured patients to present expert testimony to help prove their cases. It establishes arbitrary requirements that would make it virtually impossible to qualify many of the most obviously accomplished medical experts as witnesses. Without the ability to present highly relevant expert testimony, the patient’s right to her day in court will in many cases be a hollow one.

(4) The amendment preempts state statutes of limitation, cutting back the time allowed by many states for a patient to file suit against the health care provider who injured him. Under the legislation, the statute of limitations can expire before the injured patient even knows that it was malpractice which caused his or her injury.

(5) It mandates that providers and insurance companies be permitted to pay a judgment in installments rather than all at once. Delaying payment amounts to a discount in the insured’s favor. If the patient does not receive the money for years, he in reality is getting less money than the court concluded that he deserved for his injuries.

(6) It places severe limitations on when a patient can receive non-economic damages, and how much punitive damages the victim can recover. This is far more restrictive than current law. It prohibits punitive damages for “reckless” and “wanton” misconduct, which the overwhelming majority of States allow.

(7) It imposes unprecedented limits on the amount of the contingent fee which a client and his or her attorney can agree to. This will make it more difficult for injured patients to retain the attorney of their choice in cases that involve complex legal issues. It can have the effect of denying them their day in court. Again the provision is one-sided, because it places no limit on how much the health care provider can spend defending the case.

If we were to arbitrarily restrict the rights of seriously injured patients as the sponsors of this legislation propose, what benefits would result? Certainly less accountability for health care providers will never improve the quality of health care. It will not even result in less costly care. The cost of medical malpractice premiums constitutes less than 1 percent of the Nation’s health care expenditures each year. For example, in 2003, health care costs totaled $1.5 trillion, while the total cost of all medical malpractice insurance premiums was $8.2 billion. Malpractice premiums are not the cause of the high rate of medical malpractice.

A study by the Institute of Medicine at the National Academy of Sciences determined that as many as 98,000 patients die in hospitals each year as a result of medical errors. That is more than the deaths from auto accidents, breast cancer or AIDS combined. These disturbing statistics make clear that we need more accountability in the health care system, not less. In this era of managed care and cost controls, it is ludicrous to suggest that the major problem facing American health care is “defensive medicine.” The problem is not “too much health care,” it is “too little” quality health care.

Reliable fact checkers and other supporters of caps have argued that restricting an injured patient’s right to recover fair compensation will reduce medical malpractice premiums. But, there is scant evidence to support their claim. In fact, there is substantial evidence to refute it.

Caps are not only unfair to patients, they are also an ineffective way to control medical malpractice premiums. Enacting malpractice caps has not lowered insurance rates in the states that have them. There are other much more direct and effective ways to address the cost of medical malpractice insurance that do not hurt patients.

The claims regarding the recent malpractice reform was also misleading. Prior to Proposition 12, 152 counties reported having no actively practicing OB/GYN doctors and 2 years after implementation, 152 counties still remain without doctors. In fact, it has not made care available to women residing in rural areas. More disturbing, the quality of care has diminished in urban areas and according to the Texas Medical Association, the physician organization of the state, the practice of “defensive medicine” has not diminished and is likely on the rise.

If a Federal cap on noneconomic compensatory damages for rural obstetrics and gynecological patients were to pass, it would sacrifice fair compensation for injured patients in a vain attempt to reduce medical malpractice premiums. Doctors will not get the relief they are seeking. Only the insurance companies, which created market instability, will benefit.

Doctors and patients are both victims of the insurance industry. Spikes in premiums have much more to do with the rate of return on insurance company investments than with what is actually taking place in operating rooms or in courtrooms. Excess profits from the boom years should be used to keep premiums stable when investment earnings drop. However, the insurance industry will never do that voluntarily. Only by recognizing the real problem can we take effective solutions that will bring an end to unreasonable high medical malpractice premiums.

I want to quote from the analysis of Weiss Ratings, Inc., a nationally recognized financial analyst conducted an in-depth examination of the impact of capping damages in medical malpractice cases. Their conclusions sharply contradict the assumptions on which this legislation is based. Weiss found that capping damages does reduce the cost of medical malpractice insurance companies pay out to injured patients. However, those savings are not passed on to doctors in lower premiums. Weiss is not speaking from the perspective of a trial lawyer or a patient advocate, but as a hard-nosed financial analyst that has studied the facts of malpractice insurance rating. Here is their recommendation based on these facts:

First, legislators must immediately put on hold all proposals involving noneconomic damage caps until convincing evidence can be produced to demonstrate a true benefit to doctors in the form of reduced malpractice costs. Right now, consumers are being asked to sacrifice not only large damage claims, but also a critical ability to stimulate the medical profession—all with the stated goal that it will end the med mal crisis for doctors. However, the data indicate that, same state legislation has produced the worst of both worlds: The sacrifice by consumers plus a continuing—and even worsening—crisis for doctors. Neither party derived any benefit whatsoever from the caps.

Unlike the harsh and ineffective proposals in Senator GREGG’s amendment, these are real solutions which will help physicians without further harming seriously injured patients. Doctors, especially those in high risk specialties, whose malpractice premiums have increased dramatically over the past few years, do deserve premium relief. That relief will only come as the result of tougher regulation of the insurance industry. When insurance companies lose money on their investments, they should not be able to recover those losses from the doctors they insure. Unfortunately, that is what is happening now.

This amendment is not a serious attempt to address a significant problem being faced by physicians in some states. It is the product of party caucus rather than the bipartisan deliberation of a Senate committee. It was designed to score political points, not to achieve the bipartisan consensus which is needed to enact major legislation. For that reason, it does not deserve to be taken seriously by the Senate. It should be soundly rejected.

Public safety workers are on the front lines of our efforts to keep communities in America safe. They are on call 24 hours a day, 7 days a week doing back-breaking, difficult work. They never blink, they never falter. They do their duty and they do it well.

When the devastating fires raged in southern California, they battled the blazes. When the I-35 bridge collapsed in Minneapolis, they were the first on scene. When the tragedy hit New York City on 9/11, their heroic work inspired the Nation and restored our spirit.

Just last week in Everett, MA, a tanker truck hauling 10,000 tons of fuel suddenly exploded on the highway. Forty cars caught fire. It took more than 3 hours to put out the flames. But because the police, firefighters, and emergency medical technicians responded so quickly, no one was killed in the explosion. We cannot begin to express our gratitude. These heroic men and women have earned our thanks and respect, and
they have also earned the right to be treated with dignity. That is why it is a privilege to join with Senators HARKIN and GREGG on this bipartisan public safety cooperation amendment to the farm bill, to guarantee that all firefighters, police officers, emergency medical technicians, and other first responders have a voice at the table in the life-and-death discussions and decisions about their work. It will ensure that they are treated fairly. It will help them keep our communities safe. It is a privilege also to offer this amendment that this amendment has received such strong, bipartisan support. It passed the House of Representatives with 314 votes.

The amendment guarantees that every first responder will have the same basic right that most other workers have in the public sector already—joining the public sector to collective bargaining. Many first responders already have this fundamental right.

Every New York City firefighter, emergency medical technician, and police officer who responded to the disaster at the World Trade Center on 9/11 was a union member under a collective bargaining agreement. So were the 7,000 firefighters who responded to the crisis in New York. They were able to respond more efficiently and effectively to the crisis because they had a voice on the job. Many other first responders, however, are not so fortunate. Twenty-nine States and the District of Columbia guarantee all public safety workers the right to collective bargaining. But 21 States—this chart reflects it—still deny some or most or even all such workers this fundamental right. Their first responders don’t have a voice in policies that affect their safety and livelihoods. That is both illogical and unfair.

We see all too often how dangerous these jobs can be. In 2005, 80,000 firefighters were injured in the line of duty; 76,000 law enforcement officers were assaulted or injured on the job and 157 died in the line of duty. Injuries and assaults have increased by 21 percent in the last 10 years. These jobs are becoming more hazardous. We have a responsibility to do everything we can to work with these first responders to help them do the job they can do and should do.

This chart shows that 9/11 firefighters enjoyed collective bargaining rights. I don’t think any American who witnessed that extraordinary tragedy of 9/11 and witnessed those binary men and women, those firefighters who lost their lives in the line of duty on September 11—they were union members with collective bargaining rights. They were prepared to do their jobs, and they did it like no others. They inspired a nation with their courage.

Many are faced, as I mentioned, with many of the lung diseases, carpal tunnel syndrome, depression, and post-traumatic stress disorder.

These men and women are profiles in courage. They walk into the fires, wade into floods, and put their lives on the line to protect our homes and families. They know what they need to have to be safe on the job. They deserve the right to have a say in the decisions that affect their lives.

The amendment grants these basic rights in a reasonable way that respects existing State laws. States that already grant collective bargaining to public safety workers are not affected by this amendment. States that don’t offer this protection can establish their own collective bargaining systems or ask the Federal Labor Relations Authority for help. That amendment sets a standard. Each State has full authority to decide how it will provide these basic rights.

These rights for first responders are not just important for the workers, they are key to the safety of our communities and our Nation. In the post-9/11 era, firefighters and other first responders face an indispensable role in homeland security. It is vital to our national interest that the essential services they provide are carried out as effectively as possible.

As study after study shows, cooperation between public safety employers and employees improves the quality of services and reduces fatalities. That is why strong, cooperative partnerships between first responders and the communities they serve are essential to public safety. As Dennis Compton, the fire chief of the city of Phoenix, has said:

When labor and management leaders work together to build mutual trust, mutual respect, and a strong commitment to service, it helps focus the fire department on what is truly important—providing excellent service to the customers.

Our families, communities, and farms, deserve the best public safety services we can provide. It starts with the strong foundation that collective bargaining makes possible.

We cannot call these brave men and women heroes in a time of crisis but turn our backs on them today. We need to act now to make these basic rights available to all of America’s first responders. It is a matter of fundamental fairness, an urgent matter of public safety.

The best way to give our heroes the respect they deserve is by supporting this amendment. I urge them to do so. How much time do I have remaining?

The PRESIDING OFFICER. Nine minutes.

Mr. KENNEDY. Madam President, let me go through this chart.

This chart is on California wildfires, farmland, crops, and livestock. This is Riverside County. I think all Americans remember these extraordinary fires that dominated the national news and newspapers and were so devastating to scores of families out West. Not many weeks ago, Riverside County lost $15 million in crop and farm products. The fire scorched over 900 acres of farmland. There was between $10 million and $15 million in damages to the avocado farms in the county.

These men and women who fight these fires understand how to be effective and how to preserve both life and the farms in those communities. That is what this is all about—that they have a voice in the development of the policies, about how they are going to proceed. Nobody who watched and listened to those extraordinarily brave firefighters doubted the extraordinary competency and commitment these individuals have. They serve, and serve our communities.

This is an indicator that firefighter fatalities are on the rise. All of us have seen the growth of fires. This is a rather awesome chart. Firefighter fatalities are on the rise. The red line indicates this. So we are asking more and more of them each year. This chart says that every year firefighters put their lives on the line to ensure our safety. In 2005, 80,000 firefighters suffered injuries and 115 died in the line of duty. This year, approximately 100 firefighters will pay the ultimate price while on duty.

Again, the point we are underlining here is that firefighters must have a voice in the development of policies, whether it is in the agriculture area or other areas. We need to give the first responders a voice in the development of safety measures and how to use equipment and use it effectively. You will have a more efficient kind of effort in terms of controlling fires, and it increases the safety and productivity of the firefighters.

As law enforcement officers are at risk on the job. In 2005—this legislation would apply to first responders here—76,000 law enforcement officers were assaulted or injured on the job and 157 died in the line of duty.

Injuries and assaults have increased by 21 percent in the last 10 years. These jobs are becoming more hazardous. We have a responsibility to do everything we can to work with these first responders to help them do the job they can do and should do.

This chart shows that 9/11 firefighters enjoyed collective bargaining rights. I don’t think any American who witnessed that extraordinary tragedy of 9/11 and witnessed those binary men and women, those firefighters who lost their lives in the line of duty on September 11—they were union members with collective bargaining rights. They were prepared to do their jobs, and they did it like no others. They inspired a nation with their courage.

Many are faced, as I mentioned, with many of the lung diseases, carpal tunnel syndrome, and bad backs. They need to be able to have those particular health care needs met and attended to.

Finally, the Cooperation Act protects the rights of dedicated public safety workers. This is a chart that tells what this legislation does and what it doesn’t do.

First, it establishes the right to form a union and bargain over working conditions. It gives workers a voice in the working conditions, which is so important in terms of both the efficiency and effectiveness of their work. It would give the right to sign legally enforceable contracts and resolve stalled disputes through mediation or arbitration. There is a specific prohibition in terms of striking, but they can solve disputes through bargaining. They can settle disputes with the local jurisdictions. It does require any specific method to certify unions. It doesn’t interfere with State right-to-work laws. It doesn’t infringe on the rights of volunteer firefighters.

This is legislation which has been carefully considered and reviewed.
There are, at last count, more than 60 Members of our body. Republicans and Democrats, who have indicated support for the legislation. As we have seen and mentioned earlier, when we saw these devastating fires that went across the country and ravaged the farmland of this Nation, we saw the extraordinary work of so many first responders, it reminded us of our responsibility to make sure these extraordinary men and women who exhibited such extraordinary courage will be treated fairly and other citizens, so they will be able to do their job and protect America’s families and the farmland in our country more effectively.

Madam President, I withdraw the remainder of our time.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. BARRASSO. Madam President, I ask unanimous consent for 5 additional minutes.

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

Mr. BARRASSO. Madam President, today I join my colleagues to address an issue that is crippling America’s health care system; that is, out-of-control medical malpractice costs.

Wyoming, the State that has been listed by the AMA as one of 19 medical liability crisis States. A few years ago, one of the time only two companies selling liability insurance in the State decided to leave, leaving over 200 physicians scrambling for liability coverage. Wyoming is losing obstetricians and gynecologists, emergency room doctors, and even general practitioners, and we are losing them because they cannot afford to pay the high cost of their liability premiums.

You may ask what is special about Wyoming in the sense that they pay exorbitant malpractice premiums and why is it so different from all of the doctors in the neighboring States. It is because one state, Wyoming, has the second largest State. There are only 23 counties in Wyoming that cover an area larger than some of the States on the east coast, and he delivered babies in three counties. He left when his malpractice premiums went over $100,000 a year.

Pregnant women in Newcastle, WY, needed to travel over 80 miles to have babies delivered when practicing physicians in that community were not able to afford the cost of their liability insurance. In my own community in Casper, Dr. Hugh DePalo, who was born and raised in Casper, WY, and loved the community and wanted to live there and give back to the people in the community, and he decided he was unable to pay the cost of his liability insurance. He left Wyoming.

Some Wyoming hospitals are paying malpractice insurance premiums that exceed the amount they receive for delivering a baby. Wyoming gynecologists/obstetricians and family physicians who deliver babies pay $20,000 to $30,000 more each year for their insurance than their counterparts in surrounding States, and that is because the State to the south, Colorado, has instituted a $250,000 cap on noneconomic damages. We should set reasonable liability limits on noneconomic damages, we should assure that noneconomic damages are capped, and to compensate they spend millions and millions of dollars on frivolous lawsuits only add to the overall cost of their health care.

Because the surrounding States have passed liability reforms that are so needed and are part of this bill. This body has a responsibility to act immediately to protect access for women who are having babies in rural communities. We should set reasonable limits on noneconomic damages, we should provide for quicker reviews of liability cases, we should assure that claims are filed within a reasonable time limit, and we should assure that frivolous lawsuits only add to the overall cost of their health care.

That is why I support Senator Gregg and the position he has taken today. His amendment would adopt a new liability model for obstetricians and gynecologists based on the highly successful stacked-cap approach. One might say: How successful is it? A large, full-page story says:

After Texas enacted malpractice awards, doctors rush to Texas. The Texas Medical Association represents in new applicants were obstetrics and gynecology, those very people who are so needed in rural communities to deliver babies. I thank Senator Gregg for his efforts. I encourage Members to vote for the amendment. We need to help ease the struggle rural women face, rural women who are seeking access to capable physicians and we are losing them.

The PRESIDING OFFICER. Is there objection?

Mr. CHAMBLISS. Reserving the right to object, so we can give our colleagues further information about what we are going to, is it the chairwoman’s intention to move ahead then with debate on additional amendments, hopefully the Coburn amendments and the Sessions amendment that might be voted on tonight, along with the Gregg amendment?

Mr. HARKIN. I say to my friend, yes. In speaking with the majority leader, the majority leader said this is going to be a late night. We have a number of amendments on both sides that I think we can debate and we can vote on this evening. I say to my friend, yes, I hope we can vote on the Coburn amendments, the Sessions amendment, the Gregg amendment, and the Alexander...
amendments, and there may be a couple on our side we are trying to get cleared for short debates and votes yet this evening.

Mr. CHAMBLISS. I have no objection.

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

The Senator from North Dakota.

Mr. DORGAN. Madam President, I rise with my colleague from Iowa, Senator GRASSLEY, and others who will be here to discuss the Dorgan-Grassley-Ben Nelson, et al, amendment we put together to this bill. Let me make a couple points. First of all, I don’t think there is anybody in this Chamber who can claim they have a stronger record for farm programs than I do. Having been in Congress a good long while. Family farms are very important to me. I believe it is an important element of this country’s economy and culture to have the yard lights dotting the landscape of America, people living on the land trying to raise a family, raise a crop, and produce some livestock. That is very important. I have spent a lot of time supporting family farming in this country.

The legislation brought to us by the Agriculture Committee is a good bill. I applaud my colleagues, Senator HARKIN and Senator CHAMBLISS, and my colleague, Senator CONRAD, for his work, and so many others. This is a good piece of legislation. It improves slightly the way we deal with trouble and tough times, family farmers understand there is a safety net. It provides a disaster title for the first time in a long time, so when there is a natural weather disaster or natural disaster hitting family farmers, they can rely on this disaster title.

There are a lot of provisions that are good in this bill, including some improvement with respect to the issue of payment limits. They eliminated the three-entity rule. That is a step forward. I appreciate that. I like what has been done, and I want to improve it because there are a couple things that can be done that should improve it, in my judgment. These deal with the issue of payment limits.

Let me start with this proposition: Does anybody in this Chamber believe and want to stand up and say: Do you know what we ought to do with the farm program? Let’s give farm program benefits to people who don’t farm. Does anybody want to stand up and say, yes, that is our policy, that makes a lot of sense? Let’s provide farm program checks to people who don’t farm.

It is happening today. It will happen under this bill unless we make this correction. My colleague from Iowa and my colleague from Georgia missed all the applause I was giving them. They have done a great job. I have applauded this bill coming out of the committee. I said I want to improve it because this committee didn’t finish the work on payment limitations.

Two things: No. 1, we ought to limit farm program payments to those who are farming. We ought not be sending farm program checks in the mail to people who never farmed and will never farm. Yet that is happening and will continue to happen. No. 2, there ought to be some reasonable limit on payment.

My colleagues, Senator GRASSLEY, and Senator NELSON from Nebraska and others, have joined me in saying that limit ought to be $250,000 per farm. That is a reasonable limit, a very reasonable limit. Let me describe how it works. We still have some holes we need to patch. The Houston Chronicle described it—cowboy starter kids they called it. We have a situation in which if land had certain base acres for a crop, you didn’t have to raise that crop or produce that crop. You didn’t have to plant the crop at all in order to get a check. Down in Texas, they have what are called cowboy starter kits. You can have 20 acres of land or maybe 10 acres of land that were used 20 years ago, and divide it up—have a house on an acre, run a horse on the other 8 or over 10, hay it once a year, and you get a farm program payment, despite the fact you have never farmed and never will farm and hasn’t produced a rice crop for 20 years.

Is that reasonable? I don’t think it is reasonable. It will give rise to the kind of stories we have heard repeatedly, stories that describe who is getting the benefit of this farm program payments that we thought were supposed to be going to help family farmers through tough times. Then we have someone with a cowboy starter kit on 10 or 20 acres who gets a payment who has never farmed and never will farm and hasn’t produced a rice crop for 20 years.

The proposal Senator GRASSLEY and I offer today says let’s not do that. Let’s say, if you get a payment, you have to be farming. No. 1. And No. 2, there is another problem I ought to mention. If you were to keep maybe you wouldn’t use a name such as this, but I am doing it because this was in the San Francisco Chronicle. This was a story in the San Francisco Chronicle, and it shows payments. This is California. We could do this for a lot of areas. This shows payments to 29 individuals and farm businesses, among the top 20 finishers from 2003 to 2005. Constance Bowles from San Francisco. Constance Bowles from San Francisco, $1.21 million; George Bowles, same family, $1.18 million. That is $2.3 million to these folks.

As I indicated, this is a San Francisco Chronicle story and is an example of what is happening to undermine this farm program. Let me read from the San Francisco Chronicle:

A prominent San Francisco patron of the arts, Constance Bowles-heiress of an early California cattle baron, widow of a former director of UC Berkeley’s Bancroft library—was the target of federal cotton subsidies in the state of California between 2003 and 2005, collecting more than $1.2 million, according to the latest available data. Bowles, 88, who collected the $1.2 million in mostly cotton payments through her family’s 6,000-acre farm, the Bowles Farming Co., in Los Banos [California]. She could not be reached for comment.

Another family member, George “Corky” Bowles, who died in 2005, collected $1.19 million over the same period. George Bowles once ran the farm but lived on . . . Telegraph Hill. A collector of rare books and 18th century English porcelain, he served as a director of the San Francisco Opera and trustee of the Fine Arts Museum. The farm is now run by Phillip Bowles, who also lives in San Francisco. He told KGO television that he’s no fan of subsidies, but if the big cotton growers in Texas get them, so should he. Many of the bowlers are getting 20 to 30, sometimes 40 percent of their gross revenues directly from the government. Phillip Bowles told KGO, I don’t have a good explanation for that. Somebody else might, but it beats me.

Well, if we want this sort of thing to continue, then let’s not pass this amendment. This is a very simple amendment Senator GRASSLEY and I offer. We ought to say, if you are going to get a farm program payment, that is, you ought to have some active involvement in the farm. Our definition doesn’t require you to live out there, but it requires you to have some active involvement. That is No. 1.

That is so reasonable that I guess I would like somebody to stand up and say, you know what, we don’t think the farm program is for you. We give educational loans here in this country. We appropriate money for them. We won’t let you get an education loan if you are not going to go to college. There are subsidized home loans. You don’t get that loan unless you are going to buy a home. We are going to give assistance in the form of farm program payments, or checks to people who don’t farm? That doesn’t make any sense at all.

Now, some will say, well, we have corrected all that. No, they haven’t. They haven’t. Let me explain why. They intended to, or they wanted to correct it. There was going to be an amendment passed to correct it, but it was not offered and not voted on. But one of my colleagues said, we have a $200,000 limitation on payments and Senators GRASSLEY and DORGAN are saying $250,000. Well, that is a little too clever. The payment limitation means you still get the loan deficiency payment under the commodity loans—you still get unlimited payments for all of the production, for the largest farm in America, you get a price support form of a loan, every single bushel of product you produce. It doesn’t matter how big you are. You can farm in four States, if you want to, but you are going to get a support price under everything you produce.

Does that make any sense to anybody? You have a payment limitation without a limit? That is not a payment limitation. That is unlimited payments in the LDP for the biggest farms in America, for every single thing they produce.

Senator GRASSLEY and I offer a very simple proposition, and that proposition is a $250,000 payment limit and
that you have to be involved in farming in order to get it.

Now I showed this San Francisco article. This is California, but I could show this for many States. But when one operation gets over $35 million in 5 years, I say that the farm policy is a farm program. When 75 percent of all payments go to 10 percent of the farmers receiving commodity subsidies, you know what is happening. Much of that is going to the biggest farmers, the biggest corporate farms in this country, big agribusinesses, and it is producing the revenue by which they buy out the land and bid against family properties for their property right next door. It is happening all over the country.

If one believes that is what we should do, then God bless you, you should not vote for this amendmendment of ours. But I believe this country has benefitted by the network of family producers out in the country. Some say, well, that is hopelessly old fashioned. You don't understand part of the country, we have people who have millions and millions of dollars of revenue and they are important to the economy as well. If you want to farm two or three counties, you ought to be able to do that. I don't think the Federal Government has the responsibility to be your banker.

I believe, and when I came here I believed it and I still believe it, that a farm program ought to be a safety net that says to family farms, when you run into trouble, you have a safety net—a bridge over troubled times. We want to do that because farming is different. But providing a safety net for families is very different than providing a set of golden arches for the biggest corporate agribusinesses in this country.

I don't need four reasons or three reasons or even two reasons, just give me one good reason we ought to collect taxes from hard-working Americans and say we are going to transfer that money to some corporate agribusiness that gets $30 million in 5 years. Give me one good reason to do that. I don't think it exists.

Let me end where I began. I am a strong supporter of family farming, a strong supporter of agriculture. I like what this committee has done. I appreciate very much the work of Senator HARKIN and Senator CHAMBLISS. I want to impress on the Senator from Iowa.

Mr. GRASSLEY. Madam President, what time do we have on Dorgan-Grassley?

The PRESIDING OFFICER. The proponents have 46 minutes, and the opponents have 30 minutes.

Mr. GRASSLEY. I yield myself 14 minutes, as Senator DORGAN did.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. GRASSLEY. Madam President, I think everybody in this body would agree we need to provide an adequate safety net for our family farms, and I think I ought to be totally transparent with the taxpayers who might be listening, as well as my colleagues. I farm in a crop share—in Iowa, we call it a 50-50 arrangement—with my son. If we get farm payments, I get 50 percent of those payments. So I have received farm payments and presently do. That is assuming prices are low enough you do receive those payments. Right now, they aren't that low.

We are talking about an adequate safety net. In recent years, however, assistance to farmers has come under increased scrutiny by urban communities and the press. The largest corporate farms are getting the majority of the benefits of the farm payment program, with 73 percent of the payments going to 10 percent of the farmers. With a situation such as that, we could lose urban support for the safety net for farmers.

Government payments were originally designed to benefit our small farm port winners. Instead, now, as you can see, the vast majority of them are going to the smallest percentage of the farmers—the biggest farmers. Unlimited farm payments have placed upward pressure on land prices and have contributed to overproduction and lower commodity prices. Increased land prices and cash rents are driving family farmers and young farmers from the business of farming. I have mentioned this before in other debates. Land in Iowa generally, but I will use as an example land near my farm in New Hartford, IA, has skyrocketed and is selling anywhere between $4,000 and $6,000 an acre. In my home county, the value of an acre is up 64 percent since 2000.

Anybody listening might say, well, why is that bad for farming? Well, family farmers don't buy land one day and sell it the next. You buy it for the long haul. Sometimes farms have been in what we call century farms, for well over 100 years. So you don't put income in farmers' pockets. It does give them value. And if they were to die, I suppose their heirs would get a lot of money.

Across the State of Iowa, the average land value per acre rose 72 percent in the last 6 years. All these figures I am citing have something to do with the inability of young people to get started farming. When the average age of farmers is 58 in my State, we ought to start thinking about what we can do to make sure that young people, the next generation of farmers, can get started.

My State isn't the only one where this is occurring, an increase in land values. In a report published by two agronomists at Iowa State University, land values have increased 64 percent since 2002. This trend is occurring in many other States as well. The average of typical cash rents per acre in Iowa rose 25 percent in one period of time. Because if you can't buy land, and you want to farm, you rent land. How are family farmers and young farmers going to survive with prices like this? How can they even get started?

This brings to mind a conversation I had within the last week with a young farmer near my home. He knows who gets these big payments in the State of Iowa, and he said, so-and-so—and I am not going to give the names out—just bought 600 acres of land. Why don't you guys do something about subsidizing these big farmers to get bigger? Now, this same young farmer would say to me, any farmer can get bigger all they want to. That is their business. That is entrepreneurship. But should we be putting the money to get bigger? He says, if you want to do something to get young people started—this young farmer said to me—put
a cap on what they are getting paid from the Federal Treasury. In other words, 10 percent of the biggest farmers getting 73 percent of the benefits out of the farm program is just plain bad policy.

I have been hearing directly from producers for years what former Secretary Johanns heard in his farm bill forums held across the 50 States. Young farmers can’t carry on the traditions of farming because they are financially unable to do so because of high land values and cash rents. If that was the market, okay. But if it is being influenced by subsidies for big farmers to get bigger, they would say it is wrong. They would also say it is wrong when you have 1030 exchanges, when it is cash free, as having something to drive up the value of land as well.

Professor Terry Kastens, of Kansas State University, came out with a report on this subject. The report states that since the 1930s, government farm programs have bolstered land values above what they otherwise would have been. Dr. Neil Harl, an Iowa State University, emeritus professor, worked with Professor Kastens on this subject, and he determined that: The evidence is convincing that a significant portion of farm subsidies are being bid into cash rents and capitalized into land values. If investors were to expect less Federal funding—or none at all—land values would likely decline, perhaps as much as 25 percent.

That would give young farmers better opportunities to buy or cash rent for less in order to get started farming.

And that is necessary, because the average farmer in the Midwest is about 58 years old.

The law creates a system that is clearly out of balance. If we look at the results posted here, it emphasizes what I have already said: Ten percent of the farmers get 73 percent of the benefits out of the farm program, and the top 1 percent gets 30 percent.

Senator DORGAN and I have offered this payment limits amendment which I believe will help revitalize the farm economy for young people across this country. This amendment will put a hard cap on farm payments at $250,000. For a lot of farmers in my State, they say: Grassley, that is ridiculously high. But we have to look at the whole country, so this is a compromise.

No less important, we tighten up the meaning of the term “actively engaged,” a legal term in the farming business. What that means is that people have to be farming, because if we are providing a safety net to someone in farming, I think they should be required to actually be in the business of farming, sharing risks and putting their money into the operation.

I wish to make a very clear distinction here. Some Members of the Senate have advocated that the Dorgan-Grassley amendment limits as tough as what is in the Senate Agriculture Committee bill or some say it might be too tough. I want to say why this is not true, and I have a chart here to bring this to your attention. We have to compare apples to apples. That is what my chart does. Saying that the committee has a hard cap on payment limits of $200,000 is not accurate. They directly have direct payments and counter cyclical payments. Let me remind my colleagues, we have direct payments, we have loan deficiency payments, and we have counter-cyclical payments. Out of those three, the bill before us is $200,000 we are amending the direct payments and not on loan deficiency payments. The Dorgan-Grassley amendment actually caps direct payments and counter cyclicals at $100,000.

In addition, the amendment will cap marketing loan gains at $150,000. While the committee—this is the loophole, this is the weakness of the argument that this bill tightens things up—it leaves loan deficiency payments unlimited. We are not changing the current law. So while the committee took some correct steps by closing the loopholes I have advocated against by including the “three entity rule” and by including direct attribution, it also takes a step in the wrong direction making payments virtually unlimited. This whole debate is about good policy. Fixing one problem but leaving other doors open does not do any good.

I also wish to make a clarification for some of my colleagues. I have gotten quite a few questions about how the payment cap will actually work. We set nominal limits at $20,000, $30,000, and $75,000 respectively, then we allow folks to double. So a single farmer who would get $20,000 in direct payments can actually double to $40,000. We set it at $20,000, so if they want to attribute the payments to a husband and wife separately, they can. So a husband can have $20,000 attributed to him and $20,000 to the wife, for a total of $40,000, just like a single farmer. One more clarification: If a farmer is working with his two sons, each would be eligible for the $40,000 individually.

I wish to address some of the falsities my colleagues have raised since the payment limit debate. They have argued that this is not reform because it targets crops but not the Milk Income Loss Contract Program or conservatory programs. Unexpectedly, the Dorgan-Grassley payment limits on these two programs is hogwash. The Milk Income Loss Contract Program has probably the strongest payment limits of any program. What came out of the Agriculture Committee includes caps on programs such as EQIP, the Conservation Reserve Program, and Conservation Security Program. Whether those caps are at appropriate levels is something that can legitimately be debated but should not detract from what we are doing on commodities through Dorgan-Grassley.

Now, our amendment produces some considerable savings. We think there is money needed in some programs that are not adequately funded to help small businesses, conservationists, and low-income people through commodity programs. We support beginning farmer and rancher programs and the rural microenterprise program. We also provide funding for organic cost sharing through the Farmers Market Promotion Program.

A large priority of mine has always been seeing justice is done for the Black farmer discrimination case against the U.S. Department of Agriculture. This will not be done by the amount provided by the committee for late fillers under the Pigford consent decree who have not gotten a chance to have their claims heard. It is time to make these farmers right who were discriminated against.

We support the Grassland Reserve Program, the Farmland Protection Program, and finally, while the Agriculture Committee makes significant contributions to the nutrition and food assistance programs, they were not able to go far enough in light of the tight budget constraints. So Dorgan-Grassley adds money in those areas. The 2002 bill had costs less than expected. But this was not because of the payment limit reform in 2002. In actuality, we increased the nominal payment cap, and it continued the generic certificate loophole. Instead, what has happened is that we have had some good years in agriculture and prices have been high. That is why it cost us less to have a safety net over the last 5 or 6 years, not because reforms were put in. In 2002, I worked with Senator DORGAN on a similar measure in 2002, and it passed with bipartisan support, 66 to 31. Unfortunately, it was stripped out in conference. I voted against the farm bill because of that.

Let me remind this body that the Senate Agriculture Committee, out of conference, set up a commission called the Commission on the Application of Payment Limitations for Agriculture. That is this report right here. They did this during conference as a sop to DORGAN and me.

Is my 14 minutes up? I ask for 2 more minutes.

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

Mr. GRASSLEY. This Commission was set up as a sop to DORGAN and myself. We didn’t get what we wanted, and we have been left with a bill that is why it is in conference. Let’s have a commission study it.

The Commission ended up, in this report, recommending the very measures which we have included in this bill. So they want a study? The study says what we had in 2002 that the conference didn’t think we ought to do, and we have had all the eggheads and farmers in this country study the problem we presented in 2002, and they gave us the results we have here.

The report said also that the 2007 farm act is the time for these reforms. You might remember the last time we had a vote on payment limits was in a budget bill a couple of years ago. Many
of our colleagues said they agreed with what we were trying to do, but they said the budget was not the right time; it needs to be done on the farm bill. To all of our colleagues who said: Wait for the farm bill, we are waiting. You have your opportunity. It is 2007. We have the farm bill here.

By voting in favor of this amendment, we can allow young people to get into farming and lessen the dependence on Federal subsidies. This will help restore public respectability for the Federal program and keep urban support for the farm program so we can continue to have a stable supply of food for our consumers.

I call upon my colleagues to support this commonsense amendment, and I reserve the remainder of time for our side.

I yield the floor.

Mr. CHAMBLISS. I yield 15 minutes to the Senator from Arkansas, Mrs. Lincoln.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

Mrs. LINCOLN. Madam President, I rise today in opposition to the Dorgan-Grassley amendment before us. But before I do, I want to say I have tremendous respect for my colleagues from North Dakota and Iowa. They are hard-working men who are interested in working hard to get things done. I very much appreciate that. I hope they can see the success they have already had from the hard work they have put in since 2001 and what has come to fruition—the underlying bill that came out of the Senate Agriculture Committee.

We worked very hard on that bill in the Senate Agriculture Committee. We came out with a very balanced bill. It is a bill that, frankly, has more reform, more substantive reform than any farm bill we have ever done. I hope those two Senators—as I said, I have tremendous respect for them and the hard work they bring to this body—I hope they recognize the success they have had since 2001 in moving forward in reform.

I also come to the floor here to oppose this amendment because, unfortunately, it is going to probably have some very dire unintended consequences from the remaining part of this amendment that is not included in the current farm bill.

I just have to answer a couple of the questions my colleagues have brought forward.

The Senator from Iowa, Mr. Grassley, mentioned land values. I have approached almost every Member in this body to discuss the farm bill. It is critically important to a small rural agricultural State such as the one I represent, Arkansas. Agriculture is the basis of our economy. In my discussions with Senator Grassley, he mentioned about land values and urban support went back to do my research, and I found a study done by Iowa State University that gives us six reasons why those land values are out of whack, and not one of those top six reasons is farm payments. So I have a little concern in terms of blaming land values on farm payments. There are multiple things there that we can see that would cause concern.

I also would like to touch on a few of the realities for the hard-working men and women who produce our food in this country, to respond to some of the other criticisms I have heard and dispel a few of those misrepresentations of farming that are out there.

The most often used—and it was used by my colleague here today—the most used misrepresentation I encounter is the argument that a disproportionate share of farm payments go to the top 10 percent of farms in terms of size. I have heard it reported at 75 percent of the payments, 80 percent—sometimes they even use the number 90 percent. Honestly, it seems to change depending on the day or the source, and that is why I thought I would put a few charts of my own to clarify the issue and set the record straight.

My first chart includes excerpts from a speech by the famed agricultural economist from Kansas State University, Barry Flinchbaugh. Here is what he has to say about the distribution of farm payments according to farm size: These programs are designed for the medium-size farmers. They have done what they were supposed to do. We have had these programs all the time. These farmers make up 84 percent of that, "small," being defined as gross sales of less than $100,000. They produce 21 percent of the food supply, but they receive 30½ percent of the payments. Medium-sized farmers, on the other hand, make up 12.2 percent of the farms, and they produce 28 percent of the domestically grown food supply, and they receive 42.7 percent of the payments. Big farms with sales of more than $500,000 make up 3.1 percent of the farms. They produce half of the food supply, and they receive 27 percent of the payments.

I think if we just look at this we will realize those that are producing 78 percent of the commodities are only getting 58 percent of the payments.

My second chart brings this point home a little bit more and certainly in living Technicolor. As you can see, my source here is the Department of Agriculture, Economic Research Service. We are pleased to bring this. I know the pie chart Senator Grassley used probably uses the definition of a farmer which even Senator Lugar earlier—I think today or even yesterday, perhaps—mentioned is completely outdated. If we are going to include an FHA student who earns $1,000 or more selling a calf as a farmer, then we have a problem in terms of the definition of a farmer. Unfortunately, that puts us out of whack in some of the statistical deals that we have to get a good, clear picture of what we are up against.

I am going to go into some details on this chart, but I will first point out that the chart shows farmers today receive a portion of farm bill benefits that closely matches their percentage of total production. As you can see here by the red line, which indicates the percentage of Government payments and the green line represents the percentage of production, they are almost identical in many ways. In fact, you will see the only discrepancy that exists is that the farmer who produces 78 percent of the production, combining the farmers and the large family farms, receives only 58 percent of the total farm program.

Now, remember, those are family farmers who are producing not just food, but also feed; that abundant and affordable food supply and fiber, not to mention the fact that they are doing it in an environmentally responsible way, respectful to all of the different regulations that we impose. Our country depends on those.

I will be the first to say I think that is a good deal. I think in this country, to be able to be reassured that we are going to get a safe food supply, that it is going to be done with respect to the environment, that it is going to be done with respect to water and water resources and clean water and clean air, all of those things, that is very reasonable. It is a good investment. It is good return on that dollar.

When you see, in that blue line—and that represents the percentage of farmers in a certain category, the percentage of farmers that accounts for the 78 percent of that production in this country, who are producing not just food, but a safe and abundant and affordable food supply and fiber—itis done.

That is what the insurance of our farm program is there for. And this reflects the fact that is exactly what those dollars are doing. They are a good investment, and they are returning on that investment to the American people.

Now, the other issue that was brought up in terms of my colleagues if you cut the market in half, I am still a little bit confused on what the Dorgan-Grassley proposal does in terms of doubling those payments. I am not sure if that means they are capped at $250,000 or if it is at $500,000 if your wife or spouse is considered actively engaged in farming. But I think many of us have asked those questions, and we are still a little bit confused.
But when we talk about the cap, I would simply remind my colleagues, the current law marketing loan is uncapped. The President’s proposal is uncapped. And the reason is, because we understand that in some of our crops they connect with the disaster assistance, which we have plussed up about $5 billion, the crop insurance program is not as detailed to their needs and concerns because, quite frankly, it is hard to find a reasonable crop insurance plan that will, at a reasonable cost, protect them against the kind of risks that you have.

So that marketing loan is key. It is key because it allows them to remain competitive. So when they hit those troubled shoals they can use that market loan to buy themselves time in the marketplace to be able to market their crops.

We have found in years past that when we tried to cap the marketing loan, what happens is particularly farmers, who do have difficult times with crop insurance and have a very difficult time being able to access disaster assistance end up forfeiting their crops. So it goes to Government forfeiture and then the Government holding the bag, the taxpayer gets left holding the bag.

That is not what we want to see happen. We want these farmers to use the market, and we want to provide them the kind of tools that allow them to use the marketing loan. That is what the marketing loan does, particularly for growers of southern commodities.

So it is not capped in underlying or existing law. It is not capped in the President’s proposal. I think that is because people realize that Government forfeiture of those crops is unreasonable.

I feel as if I have come down here and spoken so many times, I have addressed the issue, particularly, of the Dorgan-Grassley amendment. And the overall farm bill numerous times recently because I believe so strongly that the reforms already incorporated in the underlying bill are more significant than any reform effort that we have ever undertaken in farm policy.

We have made huge strides. I think both of these gentlemen will recognize that. They certainly have to me in some circumstances. But as a consequence of enacting the provisions of the Byrnes Amendment, it is going to be devastating to some.

The amendments that are not already included in the underlying bill that are in this amendment would be devastating to the hard-working farm families, particularly in my State but in other Southern States where we grew those commodities that are grown in the controlled environment, which results most devastatingly in the outsourcing of a significant amount of American agricultural production. Eighty-five percent of the rice consumed is grown in this country. Over half of that is grown in my State of Arkansas. If we outsource those jobs in rural America, if we outsource the production of that unbelievable staple commodity, it is not going to go somewhere else in this country. It is going to go to our two biggest competitors more than likely. It is going to go to Vietnam and Thailand.

When you look at the lack of restriction and the techniques that are used in their growing processes, you are going to realize it is not something we want to do, to outsource what we are already capable of producing, staple food source, not just for us but also in terms of what we do globally.

Let me reiterate what outsourcing would mean. It means a gratefulness: rice from those places like I mentioned, where there is no environmental regulation between sewer water or regular water on crops that are grown there. Is that what American families want? Is that what American mothers want in terms of looking at what they are going to do when they serve that rice cereal to that new infant who is just learning to eat solid foods?

Are they going to want to be reassured that they are dealing with a domestic product that has been regulated in how it was grown by American standards? Are they going to want to give that up and just look to the consequences of what might happen in terms of import commodities?

I would argue that is a price far too high for us to pay. I think the American people are very serious about wanting a safe and affordable food supply. We should be grateful for the wonderful bounty that our farmers and ranchers provide this Nation. We should support them with a modest safety net so they can continue to provide this Nation and the world with this incredible safe, abundant, affordable supply of food and fiber on the globe.

It is disappointing to me that some in the Chamber and those in the media and special interest groups would take this for granted. If we look at what this costs us, the investment it makes, 15 percent of this bill is in the commodity’s title. One-half of 1 percent of the entire budget goes to this insurance policy of assuring America’s families they are going to get a safe food supply.

It is also disappointing that some in this Chamber would speak about the dangers of poisoned food entering the country and jobs leaving the country and not make the connection to this vital piece of legislation providing this great country of ours with both safe food and jobs in rural America.

Now, I know agricultural policy is not the hot topic of the day to some Members. I know I probably bored some of my colleagues to tears discussing the intricacies of this farm bill, and the ramifications of this amendment particularly. So if my colleagues take nothing else away from my remarks today—

The PRESIDING OFFICER. The Senator’s time has expired.

Mrs. LINCOLN. Madam President, I ask unanimous consent for an additional 2 minutes.

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

Mrs. LINCOLN. I urge each of you and your staffs to take a moment and look at this bill and the reforms that we have made. They are significant, and they should be read aloud in the offices of farm policy, who, I suggest to you, will never be satisfied. Those who condemn us, those who condemn us for not taking the extra amount in terms of the reform that Senators Grassley and Dorgan want to take, who will be happy with any amount of reform. They will only be happy when we eliminate the safety net that we provide farmers, but in a slightly different way.

A vote against the Dorgan-Grassley amendment is still important for the most significant farm program reform in the history of our country.

I would like to take a moment and walk through the reforms included in the bill. I will wait for a later moment to do that. I certainly want to encourage my colleagues to vote against the Dorgan-Grassley amendment.

Mr. CHAMBLISS. Madam President, earlier the Senator from Iowa, Chairman Grassley, announced a unanimous consent on two votes on amendments of Senator Alexander following the debate on this particular amendment.

I ask unanimous consent, as we have agreed, that after the two Alexander amendments, amendment number 3673 come up for a vote, and that prior thereto there be 15 minutes of debate equally divided.

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

Mr. CHAMBLISS. I would add to that, that the Gregg vote on amendment number 3673 requires a 60-vote margin.
I yield 5 minutes to the Senator from Alabama, Mr. SESSIONS.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SESSIONS. Madam President, I want to thank Senator LINCOLN for her articulate and effective explanation of the difficulties in the Dorgan-Grassley amendment. I absolutely am confident that it will undermine the traditional agricultural safety net for farmers in the Southeast.

There are a lot of reasons for that. I cannot say for sure what it is like in other areas of the country. Apparently, the amendment would not have the same effect in every area, at least in the same percentage of farmers. But since the 2002 bill, input costs to produce agricultural products have increased, particularly in the Southeast and particularly for cotton, one of our most important crops.

The cost of nitrogen, potassium, phosphate, and diesel fuel have risen dramatically. I do not mean a little bit; some of them have doubled during this time. However, support payments have not increased at all.

As a result, the safety net already has, in effect, been cut in half. The committee-passed bill essentially continues the 2002 structure of having a safety net that is half of what it was a few years ago.

Producer groups in the Southeast understand the Federal budget reality is not something they want to deny. And the lack of availability of new funding impacts not just in increased input costs to produce. As a result, payments do not have to be as high to support producers in those areas where prices fall.

Crops grown in the Southeast, such as cotton and peanuts, are high-value commodities that cost a great deal to produce. For example, cotton currently costs approximately $450 to $500 to plant and harvest per acre. That is a lot of money. In Alabama, the average Statewide yield is approximately 700 pounds per acre from year to year. However, with current market conditions, we are barely able to break even with the safety net currently in place. Any further attempt to limit payments will practically destroy agricultural production of high-value commodities in the Southeast.

I urge our colleagues to take note of what the farm bill did. Before, when you actually compute the support payment levels, they were $360,000. Now, with the changes in amendments and loophole closings that have occurred, it has dropped to $100,000. Multiple payments are no longer effective, and a decreased limit has the potential to be very harmful.

Let me share this thought with my colleagues. My family on my mother’s and father’s sides are farmers. They have been in rural Alabama for 150 years. I know something about farming, but there is more to farming than just the farmers. My father, who had a county high school, purchased a farm equipment dealership. There are a lot of other people who support agriculture than just the farmers. To be effective, make a living, and farm in agriculture in Alabama and the Nation, you have to be engaged in a large-scale operation with expensive equipment. You have to invest a tremendous amount of money in bringing in a crop. If crop prices fall, you can be devastated. As Senator LINCOLN said, who is going to fill the gap? It is not going to be somebody else around the world who is receiving far more subsidies than our people.

There is the farm equipment dealer.

There is the farmer. There is the seed people. There are the people who labor at harvesting and the people who process the cotton, the soybeans, the peanuts and convert them to marketable products. That whole infrastructure, the bankers who loan the money, the businessman in town, the hardware store that supplies their needs, is dependent on the farmer. In Alabama, as in most areas of the country, farmers are larger. They have far more at risk. If they go under, not only do those industries go under, we have cut this to effectively reduce the subsidies in the system. I thank the committee for doing so, and I oppose the Dorgan-Grassley amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Earlier, I asked unanimous consent to include the Gregory amendment on following the two Alexander amendments. In my request, I asked for 15 minutes of debate equally divided. I now ask unanimous consent that 15 minutes be withdrawn.

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

Mr. CHAMBLISS. I yield to the Senator from Louisiana, Ms. LANDRIEU, 5 minutes.

Ms. LANDRIEU. Mr. President, I am pleased to come to the floor today to join my colleagues, the Senator from Alabama and the Senator from Arkansas, in a strong appeal to our colleagues to vote against the Grassley-Dorgan amendment. As Senator LINCOLN so eloquently stated, this underlying bill is the single largest reform to the farm program practically in the last two decades, if not forever. We have made significant underlying reforms to farm programs and to make it fair. But as the Senator from Alabama said, our rural areas, particularly in the South and Southeast, need this bill to continue to grow and prosper. There are parts of the country that are doing very well. But in rural America, there are still difficulties. We have over 200,000 farmers in Louisiana.

I respect the two amendments offering this amendment. They truly are two of the most respected in this Chamber. But I have to say, perhaps it would be easy for me to support an amendment such as this if the crop in my State was wheat, but this being two or three times the price it once did.

The fact is, rice and cotton are not in the best shape. We are being pressed by imports. We have different rules and subsidies. With all due respect to other Senators, corn has done very well lately. A couple of years ago it was selling on the market for $2.10 a bushel. Today the commodities rate is $4.33. So people growing corn are doing very well. I have some of them in my State as well. But because of the ethanol subsidies, because of what we have done on the fuel business, corn is doing well. We are happy for that. But rice, soybeans, and cotton are fighting for markets, fighting against unfair trade practices. This amendment will do them great harm.

Senator LINCOLN has done an excellent job representing Southern farming on the Agriculture Committee. She has, with our support, put forward some reforms to reduce the costs to taxpayers. But we can’t do anything. Asking us to do it is not right. For Georgia and for Alabama and for Louisiana and parts of Texas, this is as far as we can go. I am saying to our farm guys, we help you with subsidies for ethanol. We know farmers growing corn are making a boatload of money. We are happy for that. But we cannot accept this amendment. I urge our colleagues to reject it.

Let’s move forward together on reform for the taxpayers and for our rural areas.

On another note, our sugar farmers have not had a loan increase in 25 years. Now with this administration demanding huge imports from Mexico, we are at a great transitional time for sugar. This is not the time to cut them anymore. For rice farmers, which Senator LINCOLN spoke about—she is from a rice farming family herself; she most certainly knows what it means to walk the rice rows—the current this amendment would unfairly penalizes producers of rice. Any further cuts to our rice industry would be detrimental.

I am pleased that with Senator LINCOLN’s assistance, we were able to put in extra help for some of our specialty crops. Sweet potatoes we grow a lot of, and we are proud of that crop and others. But this is not insignificant business. This is billion-dollar business. It is important to our economy. We need to hold the line with the reform.

I urge my colleagues to vote no on Dorgan-Grassley. We have given enough from our region. We want to support reforms. We have supported reforms. But enough is enough.

I am happy corn is now at $4.33 a bushel. I wish my sugar cane farmers
and rice farmers were getting two or three times what they were getting a couple years ago, but they are not. Let’s hold the line and vote no on the Grassley-Dorgan amendment.

Mr. CHAMBLISS. I yield 5 minutes to my colleague from Georgia, Senator ISAKSON.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. I thank my colleague, Senator Chambliss.

Mr. President, I have great respect for Senator GRASSLEY and Senator DORGAN. But I have respect for a lot of other people. One of them was my predecessor, a guy by the name of Zell Miller. But the research about the 2002 farm bill, Zell stood on this floor and spoke. He made a statement I think is worth repeating. He said: This amendment says to those of us in the South one thing—hold on, little catfish. It should not go without notice the two sponsors of this are from the Midwest. Everybody on the floor talking right now is from the greater South. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest. Everybody on the floor talking right now is from the Midwest.

I wish to talk for a minute about this claim that all these farmers getting payments are big farmers. The proponents of the Dorgan-Grassley amendment claim that more than 70 percent of the farmers are getting 70 to 80 percent of the program payments. They characterize these farmers as megafarmers and corporate farmers. Both Senator GRASSLEY and Senator DORGAN talk about megafarmers and corporate farmers as opposed to family farmers they want to assist with farm programs. I wish to explain that the farmers in the States of all my colleagues fall within this 10 percent category, and they are ordinary farmers with average size operations. They have families to support, and they are a vital component of rural communities. Most of all, those 10 percent feed this country.

I wish to make it clear, particularly to those who would agree to consider supporting Dorgan-Grassley, why an overwhelming majority of the farmers in your State would fit within the category of being in the top 10 percent of payment recipients. In order to compare apples to apples, I asked USDA to provide me with the attribution data for the 2005 direct payments. I asked for the data in an attributable form because I wanted the information to reflect what the universe of program participants. If one operator rents seven separate tracts from seven separate landowners, on a 75 percent-25 percent crop share arrangement, we end up with eight individuals receiving program benefits—one operator and seven landowners.

Each of these eight individuals counts as a program recipient. But since the operator is on a 75-25 percent crop share arrangement, he or she ends up with 75 percent of the acres and production, while all seven landowners account for 25 percent of the acres and production on their respective farm. Or another way to look at it, the individual operator accounts for 75 percent of the program payments but only 12 percent of the universe of individuals represented in that scenario. I fail to see why this is being represented as inappropriate or unfair. It is only logical that the operator, as a program recipient, who accounts for 75 percent of the acres and production in his or her farm, is more than any of the other seven individual landowners, who each account for only 25 percent of the acres and production on their respective farm. This simply reflects the one individual operator receives payments in a higher proportion than the other seven individuals due to his level of production and risk.

Now, there has been conversation and statements made tonight about the fact we did not make real reforms. Let me tell you where the heart of the difference is between the Grassley-Dorgan proposal and the underlying bill. The heart of the difference is in what we call the definition of an “actively engaged farmer.” Under current law and under the language in the base bill, individuals or entities must furnish a significant contribution of capital or equipment or land and personal labor or active personal management in order to be considered a producer. A farmer who qualifies for payments must put at risk money, he must furnish land, he must furnish equipment or he has to be
I know with any program that is of this size there is going to be some abuse somewhere along the way. We do not have a Federal program in place today that is not being abused and that you cannot single out 1 or 2 or 10 individuals, particularly where we have an expenditure of billions and billions of dollars. But we are certainly doing our best to address the issue, to try to correct the abuses that have taken place.

In this particular instance, we truly have made real reforms that I think are going to close every loophole we know is out there today when it comes to making sure payments go to folks who deserve the payments and that the payments are at a level that is reasonable when it comes to making sure we have a close watch on the taxpayer dollar.

I wish to close this portion of my comments by saying we will detail, as Senator LINCOLN said earlier, some of the specific reforms. But I will highlight them.

I was involved in the writing of the 1996 farm bill, as was Senator GRASSLEY, as was Senator LINCOLN. In that farm bill, which was enacted 5 years ago, we had a payment limit cap of $450,000. In the last 5 years, from 2002 to 2007 the language that is included in the base bill we are talking about today, we have reduced that $450,000 down to $100,000. Now, that is a $350,000 reform. Senator GRASSLEY takes it up to $250,000, that is a $200,000 reform. But the fact is, we have made real reforms in the dollar amount that folks are eligible to receive from $450,000 down to $100,000.

We have also made other significant changes, such as elimination of three entities, as well as the requiring of attribution to every farmer in America who is going to be receiving payments under this farm bill.

With that, I will reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 365 WITHDRAWN

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the pending second-degree amendment to Gregg amendment No. 3673 be withdrawn.

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

Mr. GRASSLEY. Mr. President, I yield myself a few minutes.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I will do it for the sole purpose of commenting on a couple things the Senator from Arkansas brought up. One was the statement where if our amendment is adopted, Senator DORGAN and I would be working to eliminate farm program payments altogether. I wish to make clear I am a believer in a safety net for farmers. We are going to maintain that safety net. So I hope people will ignore that suggested goal.

I think it is important to understand that farm programs have been around since the 1930s. They have been around...
as a safety net because farmers are at the beginning of the food chain or, you might say, at the bottom of the food chain. We have a situation where farmers for input, for producing a crop—producing the food our consumers eat—pay what is charged for those imports. They might have a little bit, but they don't have control; they have to buy the imports or they aren't in farming. When they sell their products, they have to sell what the market bears for the day they choose to sell. They might sell on a different day to sell, but eventually, whatever they sell for is what the market is there; a farmer is not bargaining for that market. So smaller farmers don't have the ability to withstand things beyond their control, such as a natural disaster or domestic policy such as, let's say, Nixon freezing beef prices, ruining the beef farmers, or stopping the exports of soybeans so that they fall from $13 a bushel to $3 a bushel. Those are things a farmer doesn't have anything to do with. The safety net to help medium- and small-sized farmers get over humps and things they don't control, whereas larger farmers, the farmers whom we are putting a $250,000 cap on—the larger the farmer, the more staying power they have. Now, I admit they are affected by the same policies I have referred to, but they have the ability to withstand that to a greater extent than smaller farmers. Also, as I stated in my opening remarks, when you buy a small farm, it helps them to get bigger, and it makes it more difficult for people to stay in farming.

A second thing I wish to give a retort to is the use of quotes from an article that says the largest farms in America produce 78 percent of the commodities, but only get 56 percent of the farm program payments. Well, the safety net wasn't set up to match the food source. It wasn't developed to follow the crop. It was developed to protect medium- and medium-sized farmers from things beyond their control, and to maintain the institution of the family farm because it is the most efficient food-producing unit in the entire world. I would compare it to corporate farms on the one hand; I would compare it to the political State farms of the old Soviet Union as an example. The family farm has a record of being the most productive. That is to the benefit of the farmer and the entire economy. It is to the benefit of the consumer.

I am not advocating that there is anything wrong with large farms or large farms expanding; we just shouldn't subsidize them to do it.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. How much time remains on the two sides?

The PRESIDING OFFICER. There is 25 minutes remaining on your side, and 10 minutes 42 seconds on the other side.

Mr. DORGAN. Mr. President, my intention would be to use some time and then perhaps yield to my colleague from Georgia, and then I would prefer that we be able to close since it is our amendment, and then we would be done with the time. If that would be satisfactory to my colleague from Georgia, the ranking member, I would proceed on that basis.

Mr. CHAMBLISS. Certainly, Mr. President. That is fine.

Mr. DORGAN. Mr. President, let me begin, as my colleagues have—more specifically, my colleague from Arkansas—I have great respect for Senator LINCOLN, Senator Pryor, Senator CHAMBLISS, and others here who may disagree with Senator Grassley and myself. I very much respect their position and do not in any way denigrate a position or a philosophy or a policy choice they have made. I do think, however, this is a real choice. When you come at it from a different perspective. I believe very strongly if we do not do the right thing, one day we won't be talking about a farm program because there won't be a farm program.

The fact is, this country doesn't farm. Only a small percentage of people live out in the country, out on the farm, under a yard light, trying to raise a family, trying to raise a crop against all the odds. They put a seed in and in the spring they hope it grows and they hope it doesn't rain too much, they hope it rains enough; they hope it doesn't hail; they hope crop disease doesn't come; and they hope that the bottom falls out of the grain market during the harvest season, they get in and harvest that land and they have a crop that comes out of the ground. Then they hope if they were lucky enough to get through all of that and get a crop and drive it to the country elevator, that they might get a decent price for it. They live on hope. The only way people living on a farm in the country can exist is living on hope. They are eternal optimists, believing that if something goes wrong today, that putting that seed into that soil is going to somehow sprout into something bigger, and that at the end of the growing season, they have an opportunity to make a decent living. That is what it is about—because farmers live on hope—but because, in most cases, when international wild price swings occur and the bottom falls out of the grain market, if we don't have a safety net across those price valleys, so those farmers depend upon, to average, the opportunity to make it from one side to the other, they get wiped out. The same is true when a natural disaster comes along.

There are some big enterprises that have the economic strength to get through it. Perhaps when price declines, when disasters hit, they can get through it, but the family farmer doesn't. They get washed away, completely washed away. Then you have the auction sale, the auction sale, and that family farmer is gone. It goes on all across this country.

This country decided to do something very important. It decided to say it matters that when you fly across this country tonight, that you are able to look down and see people populating the prairies, populating the rural areas, feeding the world, feeding the hungry. Look down sometime and see where they all live. Fewer and fewer of them live out in the country. There are fewer and fewer neighbors. But we are trying and struggling mightily to say to family farmers, when you are out there trying to run a family farm and raise a family and raise a crop, if you run into trouble, if you run into a tough patch, we want to help you. That is what this safety net is all about.

Now this safety net has grown into a set of golden arches for some. Some of the biggest corporate agrifactories in the country suck millions of dollars out of this program. Some of them are farmers who have never farmed and are going to receive a farm program payment? Is there any- body who believes that? Because that is what is going to happen. It is what is happening now.

According to some pretty good research that has been done on who receives and would receive the payments under the current system, there are what they call “down south cowboy starter kits.” I described that before. It is somebody who subdivides some land that he used to produce a crop and still gets a direct payment on a crop that is not produced anymore. So they subdivide it and build a house on part of it and run a horse on another and hay it once a year, and lo and behold, somebody who has never farmed and never will, living on ground that has not produced a crop for 20 years, is going to go to the mailbox some day and open up an envelope from the Federal Government who has never worked a tractor, and is getting payments. You get a farm program payment. That is exactly what happens today, and it is what is going to happen with this bill.

I support the farm bill that came out of this committee, but I want to improve it because there is a glaring hole. The hole is that under this bill, non-farmers could get farm program payments, and the hole is that there is an unlimited opportunity to get loan deficiency payments on the LDP or the marketing loan portion. My colleague will say: Well, we have a $200,000 cap on farm program payments. But that is not true; they don't have a $200,000 cap. They have a $200,000 cap on the direct payment, and the loan deficiency payment, but the third piece, the marketing loan and the loan deficiency payment, is unlimited—no cap at all. The biggest farm in the country, on every single bushel of commodity they produce, is going to get a payment in the form of a safety net from the American taxpayer. I don't think that adds up.
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I described a few moments ago a wondrous—apparently a wonderful woman in San Francisco, a patron of the arts. I had a picture I decided not to use because I don’t think it is fair to her, but she was in the San Francisco Chronicle; they did a run of a picture of her. Her name is Constance Bowles. She was the largest recipient of farm program funds in San Francisco. She received $1.2 million, her husband received $1.1 million. Another fellow still runs the 6,000 acres. He is receiving money. He says: Well, I can tell you why I am getting this money, but if they are—if cotton and rice folks in Texas are going to get it, then I think I ought to get it as well. I don’t know. Do people think this is what we ought to be doing? Do you think this represents a safety net? It doesn’t look like it to me. It looks like a glaring loophole.

The committee made some improvements. I said that when I started. The three-entity rule is gone. That was something I said was just that the amendment was structured to be abusive, and that is gone. I think that is progress. But I am telling my colleagues more needs to be done, because if we pass this bill as is, people who have never farmed and never will, will still receive farm program payments. For farmlands that haven’t produced a crop for 20 years, they will still be able to get farm program payments. In my judgment, that is not reform.

I believe when we read stories—and we were told that we read stories that operations—the big corporate agrifactory gets $33 million in 5 years, I think a lot of the American people reasonably will ask the question: What does this have to do with the safety net to help family farmers through tough times? Again, if we are for change and reform in a constructive way that says let’s do the right thing, then we will pass the amendment I have offered with Senator Grassley, Senator Ben Nelson from Nebraska, and others, because we think it is the only thing to do.

Someone said during this debate: This will injure the safety net. No, no. Exactly the opposite. This is the one thing we can do that will preserve and strengthen the safety net. If we don’t do this, we won’t have a safety net at some point in the years ahead. It will all be gone because the American people will say: If you can’t do it right, we are not going to let you do it at all. That is why I believe this is important. I yield the floor.

Mr. CHAMBLISS. Madam President, I yield 5 minutes to the Senator from Arkansas, Mr. Pryor.

The PRESIDING OFFICER (Mrs. Lincoln). The Senator from Arkansas is recognized.

Mr. PRYOR. Madam President, as many others have said today, it is difficult for me on a personal level to speak against this amendment because I have such great respect for the sponsors of this amendment. However, let me say this to my colleagues who are here, or the staff watching on C-SPAN 2 right now, for the Senators and staff who are looking at this amendment and thinking about previous votes they have made on this same subject and wondering what the differences might be between this and other votes they have cast, there is one thing we must keep in mind: the context of this vote. The context of this vote is in a reform bill. Previous votes have been, as we have talked about earlier, in budget bills, et cetera, et cetera, et cetera. This one is in an agriculture reform bill.

The farmers in our section of the country have given up a lot. What we have given up goes into nutrition programs, goes into energy, rural development, and new programs for specialty crops. When we talk about adjusted gross income, the hard cap in this bill that came out of committee, the three-entity rule reform, all are major gives by far to the loses. Quite frankly, if this amendment is adopted, I believe it will destroy the American cotton and rice industry. We will continue to use cotton and rice, but it will increase our trade deficit. We will impede parts of the world. Our food and fiber will be grown in countries that do not have our own standards on the environment or on labor or in many other areas. So I have to ask my colleagues: Do you think that is good public policy?

I called a friend of mine this weekend. In fact, it was on December 9. I called him and I said: Hey, are you all set up to go duck hunting, because I want to tag along with you there and go duck hunting. He said: Not yet, because we are still working the fields. They are still working on December 9 in the rice fields in Arkansas. Now, the rice is gone, but they have to have in the loaves. They have to do all kinds of things. I don’t even know what they do. But the truth is my friend, and farmers all over this country, cotton and rice farmers, have huge investments they have made. They have bought combines. They have bought other very expensive pieces of farm equipment. They would have to totally reconfigure their fields. They would have to destroy a very elaborate and very expensive levee system.

It is not fair for us to go through these reforms we have already done and now to ask our rice farmers to do this. So when I think about my friend, I think about what he would have to go through—in fact, he is the hardest working person I know—I think about the impact it is going to have on rural communities and about the fact that we are attempting to cut efficiency and protecting the integrity of the American food supply, and we are talking about importing more rice and cotton, et cetera.

It is hard for me to understand why the Senate would want to do that. I have to remind my colleagues of a quote that our colleague in the House made, Marion Berry. He said:

If you like importing your oil, you will love importing your food.

I hear the arguments my colleagues are making about the so-called cowboy starter kit. I have heard about that. It is a funny story, but it makes you mad as a taxpayer. The fact is, the USDA today can fix that problem. It should have already been fixed, but for whatever reason, they have not fixed it. They have the authority to fix that today.

Well, I have heard the other side say they are concerned about money going to people who don’t farm. There is one key thing that my other colleagues need to understand, and that is that they may not be farming, but the land is being farmed. The land is being farmed. They share the risk in that crop. And I heard Senator Grassley say a few moments ago that he and his family, and folks all over his State, enter into these rent-type agreements. Well, do so. But the way this amendment is structured would absolutely destroy our cotton and rice farmers in our part of the country.

In closing, this is difficult for me, but I am telling you, if this amendment is adopted, I cannot support this bill. It is the time for me to vote on the Senate floor and say I cannot support a farm bill, which is so critical to our State. If this amendment is adopted, I cannot support the farm bill.

With that, I ask my colleagues to look at this very carefully. I think the Senators Chambliss and Lincoln for their leadership.

The PRESIDING OFFICER (Ms. Cantwell). Who yields time? The Senator from Georgia is recognized.

Mr. CHAMBLISS. How much time remains?

The PRESIDING OFFICER. We have 5 minutes remaining under the control of the Senator from Georgia.

Mr. CHAMBLISS. How much on the other side?

The PRESIDING OFFICER. There are 17 minutes.

Mr. CHAMBLISS. Madam President, I yield half of the 5 minutes to the Senator from Arkansas, Mrs. Lincoln.

Mrs. LINCOLN. First of all, I want to correct something. Senator Grassley had some concerns about my comments earlier, and they may have been misinterpreted. Senator Grassley is a champion for his farmers, no question about it. I have no doubt about that. I didn’t say it would eliminate the subsidy program. What I said the amendment would do is eliminate our ability as farmers in southern States in terms of being able to mitigate our risks without that marketing loan, uncapped as it is in current law. I wanted to make sure he knows.

Madam President, I want to take a few minutes to walk through some of the reforms in this bill that people are concerned about. Over the past 5 years, I ever consistently heard press accounts unfairly characterizing farm programs. All too often, the accounts are very misleading—and that is a nice
way of saying it. However, as members of those States, we rely on a strong farm safety net. I paid close attention to that criticism. I have taken it personally because I believe it unfairly calls into question the character and integrity of my farmers, the hard-working farmers, and these farmers represent in this body. It is difficult, but we have to represent all of the farmers and the hard-working farm families of this country.

We have eliminated today in the underlying Senate Agriculture Committee bill some of the often cited loopholes, the so-called three-entity rule, and banned the use of generic certificates, which producers use to make their entire crop eligible for the marketing loan cap in less transparent ways. We have been asked to be transparent, and we are doing what we have done.

For reformers, the underlying bill also creates direct attribution of program benefits to a “warm body” by requiring the Secretary to track payments to a natural person regardless of the nature of the farming operation earning these payments.

Folks also wanted to dramatically lower the overall level that an individual farmer can receive. That is what we have done.

I think you have the opportunity to be here and represent those great farmers. I want to say to all of my colleagues that a vote against the Dorgan-Grassley amendment is still a vote for the underlying bill some of the often cited reforms that the committee has presented to the Senate.

The PRESIDING OFFICER. Who yields time? The Senator from Iowa is recognized.

Mr. GRASSLEY. Madam President, how much time is left on our side?

The PRESIDING OFFICER. There are 15 minutes remaining.

Mr. GRASSLEY. I yield myself 5 minutes.

Madam President, one of the things I think we have to remember is there is reform in the bill that the committee has presented to the Senate—reform that probably should have been done a long time ago.

I pointed it out in my opening remarks and in closing I want to kind of emphasize that we are limiting payments, in the bill that sound very reasonable. But I have to tell you there is one gigantic loophole you have to consider, and out of the three forms of payments—direct payment, loan deficiency payment, and countercyclical payment—the caps that are in the bill, adding up to $200,000, are for countercyclical and direct payments.

So if you don’t have a cap on loan deficiency payments, that means the payments farmers can receive are unlimited. It is from that standpoint, when loan deficiency payments are considered, there is not a hard cap. Now, the adjective, “hard,” is applicable to Dor-
gan-Grassley, and it is very important because we have had caps on farm programs for, I will bet, three or four decades. They have been ineffective caps because there has been legal subterfuge to get around it.

The underlying bill, as well as our amendment, takes care of some of that legal subterfuge. But we maintain one loan deficiency payment within this bill. So you, consequently, don’t have a hard cap. Some people would say you don’t have a cap at all. I will not get into a side contrast, in one giantic opportunity for people to get payments that are really not limited. And it is particularly important for big farmers because the loan deficiency payment is paid out so much per bushel for what the market price is under the target price. So the more bushels you produce, the larger the farm, the more deficiency payments you are going to get. Consequently, we are trying to stop subsidizing farmers from getting bigger, bigger, bigger.

But when the loan deficiency payment is left out, you are going to give these farmers the same opportunity they have under existing law to use a legal subterfuge that basically makes the limits meaningless. But I hope when you re-read this bill you will consider whether you think, when we have a cap, it ought to be an effective cap and, in the words of Dorgan-Grassley, a hard cap. It is very important that we do that.

Remember the background for the farm safety net. It is to help medium- and small-sized farmers, to protect them against things beyond their own control. And natural disaster is a natural one to speak about because floods and hail and windstorms and inability because of a wet spring to get the crop in, et cetera, et cetera, are all natural disasters that a farmer cannot do anything about. Only God can do something about natural disasters.

Then there are political decisions. I keep mentioning because they ruined so many farmers in the 1970s. Nixon put a freeze on beef prices, and the President also put a limit on export sales of soybeans so the price would plummet when it was very high in the early 1970s. And there is international politics: the cost of energy, what OPEC does—all of that is beyond the control of the small- and medium-sized farmers.

But the larger you get, the more staying power you have in it, and we don’t need to have a safety net so strong that it subsidizes big farmers to get bigger, and 10 percent of the biggest farmers are getting 73 percent of the benefits out of the farm program.

I yield the floor back to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Madam President, how much time remains on our side?

The PRESIDING OFFICER. The Senator from Georgia has 9 minutes remaining.

Mr. CHAMBLISS. The PRESIDING OFFICER. There is 1 hour remaining.

Mr. CHAMBLISS. Madam President, I am honored to have been asked to speak and I am honored to have been recognized by Senator Grassley in his opening remarks.

It is a continued, because I think there has been a consistent theme in the way our country has treated our farmers these past years. It is the way they have been treated by the Federal Government. The way they have been treated by the Senate Agriculture Committee, and Senator Grassley in particular.

For example, they have been treated by an amendment that goes under the name of the Dorgan-Grassley amendment to put any payment limit on the conservation payments that are made. The conservation payments that are made, I daresay, are virtually all of the payments to which I have referred. Not to North Dakota, but to this whole country. So we urge you to vote no on this amendment.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, how much time remains?

The PRESIDING OFFICER. There is 12 minutes remaining.

Mr. DORGAN. Madam President, to suggest that perhaps we believe that farmers were getting too much money, nothing could be further from the truth. A whole lot of farmers are not getting enough help when they need it. The reason is because we don’t have enough money in the farm program to provide a decent safety net. We have had a loafing out of the farm program in the form of millions of dollars of payments to big corporate agrifactories. I have some examples. We have all heard these and read about them.

Constance Bowles, a prominent San Francisco art collector, from 2003 to 2005 received $1.2 million. Her husband received an equivalent amount during that period. Mark Burkett, a bonafide farmer, received payments for corn, wheat, cotton, peanuts, and soybeans from 2003 to 2005 totaling $1.8 million. Tommy Dildine collected $1.64 million. By the way, his wife Betty received exactly the same amount down to the penny. That is just over $2 million for that couple. I could go on.

Is this a safety net helping family farmers? I don’t think so. There is nothing, as I indicated previously, in this legislation that stops some of the practices I described earlier.

My colleague said this issue of cow— cow— cow— cow— cow— cow— cow— cow— cow— boy starter kits—"I am talking about cowboy starter kits. The USDA has just shut down. Yes, they can, but they wouldn’t. Why wouldn’t we shut down a loophole that says somebody...
who has never farmed and never will farm and living on land that hasn’t produced a crop for 20 years ought to open the mailbox and get a check from the Federal Government, a farm program payment? Why wouldn’t we close that loophole? Why? Because this bill produced a crop for 20 years ought to farm and living on land that hasn’t produced a crop for 20 years ought to have a safety net in the first place, to get a farm program payment even if they don’t farm. That does not make sense to me.

Let me tell a story about a young man named Waylon. I was invited to the White House to the East Room some while ago when they brought in some youngsters who were heroes and the President presented these young-sters with medals. One of them was a North Dakotan. Twelve-year-old Waylon was driving on the ice with his brother and sister. His parents went to a neighbor farm for a moment to see the neighbors. It was winter, and in North Dakota in the winter, the stock pond was frozen. They were playing on the ice with his 8-year-old boy and his 6-year-old brother and sister were playing on the stock pond ice and his sister fell through the ice. It cracked and she fell through the ice and was drowning.

Waylon, age 12, sent his brother to go 1 mile to fetch his parents. His 6-year-old brother went off to fetch the parents. Waylon, age 12, meanwhile lay on his belly with his winter clothes on and cowboy boots toward the edge of the hole on the ice where his sister was drowning.

Some while later, about 20 minutes later, his parents came rushing into the yard, driving into the yard. What they saw was a 12-year-old boy in this area where the ice had broken who went out unaided and went through that ice trying to find his sister who was drowning. What his parents saw was a young 12-year-old boy with his sister’s head in the crook of his arm. He was treading water as fast as he could tread still 20 minutes later.

He was given a medal for heroism at the White House along with some other boys. I asked young Waylon: How did you do that? He said I watched “GI Joe” and I learned safety tips. He said: I kicked as hard as I could. He kicked so hard that his cowboy boots came off. On that day, a 12-year-old boy who couldn’t swim reached out his hand for his sister who was drowning.

That same type of love, that kind of commitment, that outreach of a hand, not just from that 12-year-old boy, but from a country to farmers all across this country to say, let us help you when you are in trouble—that is the instinct of this country and why we created a safety net in the first place, to reach out and want to help, you are not alone when prices collapse, when disease comes, when it rains, when it rains too much, when it doesn’t rain enough.

This country has said we want to help because we believe family farmers are important to this country. We want people on Saturday night to come to the Bohemian Hall and swap stories about the weather, the crops, and their neighbors. When you get that, it seems to me, is to preserve a safety net. We will not preserve a safety net for family farmers by deciding we ought to give millions and millions of dollars to the biggest agricultural programs that are farming the farm program.

When we give $1.3 billion in farm program payments to people who are not farming—let me say that again—when we send checks to the mailboxes of people who are not farming to the tune of $1.3 billion and call it a safety net in a farm program, I am saying it is a perversion of what we ought to do as a government to help family farmers in the future.

This ought not to be a difficult choice. The committee made some improvements in this bill; yes, they did. But without this amendment, we will still have people who are not farming now and have never farmed in the past and have farmed in the past. We have people living on land that has not produced a crop for 20 years, and they are going to continue to get farm program payments. If you don’t believe that is wrong, then vote against this amendment.

Senator GRASSLEY and I believe there is a much better way. We don’t do it by suggesting anybody at all should ever be penalized. We just believe we should use the resources we have to provide the best safety net we can to those family farms out there struggling to try to make ends meet during tough times. That is why we have a farm program. It is why we designed a safety net. It has not worked as well as any of us would have liked. We want to improve the safety net, but we can’t improve the safety net if we are using this precious money to send it to Telegraph Hill in San Francisco to somebody who gets $2.4 million with her husband, a patron of the arts, who gets money from the farm program and whose brother now runs the farm and says: I don’t know why we get this money, but if they get it down in Texas, we ought to get it here in San Francisco.

One thing the American people expect more from us. Let me finish by saying this again. I deeply respect my colleagues who disagree with me. I respect my colleagues who have spoken in support of their bill and against this amendment. But I say to them, if they are for reform that the American people understand makes sense, then they have to support this amendment and believe let’s at least do the right thing.

This is a good bill that came out of this committee, but let’s have this hole plugged. To have a bill come out of the committee and have loan deficiency payments or the marketing
loan be totally unlimited for the biggest farm in America for everything they ever will produce, that is wrong. It is a hole big enough to drive a truck through. If we can fix that, I say we have done a good day’s work and done something very important for family farmers in the future.

One of my colleagues says, if we do this, he won’t vote for the bill. I am going to vote for the bill one way or the other because this bill is an advancement in public policy. But Senator Kennedy has said it well, my colleague BEN NELSON and others believe as I do that we should do this, we should have done this 6 years ago. And by the way, we had 66 Senators vote for this approach the last time we wrote a farm bill, and it got dropped in conference. My hope is we will at least have 60 votes tomorrow in support of change, constructive reform that the American people want. If you went to a cafe anywhere in this country, set this out and said: What do you think we should do? I tell you it will be 99 percent saying fix this, fix this, do this in support of the American taxpayers, and do this in support of family farmers.

The PRESIDING OFFICER. The Senator’s time has expired.

AMENDMENT NO. 3551

The PRESIDING OFFICER. Under the previous order, there is now 2 minutes for debate equally divided prior to vote on amendment No. 3551, the amendment offered by the Senator from Tennessee, Mr. ALEXANDER.

Who yields time?

The Senator from Tennessee.

Mr. ALEXANDER. Madam President, I ask the manager of the bill if he wishes us to begin our 1-minute discussion?

Mr. HARKIN. Go ahead.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, this is a wonderful opportunity to take wasteful Washington spending and turn it into higher farm family income by using our secret weapon, land grant universities’ competitive grants to create value-added agricultural products to get that program back on track. It is fully paid for, $74 million, by striking a provision that uses taxpayers’ dollars so taxpayers in Virginia and Georgia, for example, will pay for transmission lines in Tennessee and other States. Those should be paid for by utilities.

The group that hopes Senators vote “yes” includes the National Association of State Universities and Land Grant Colleges, the National Coalition for Food and Agricultural Research, the National Association of Wheat Growers, and the National Cattlemen’s Beef Association. I urge a “yes” vote.

The PRESIDING OFFICER. The Senator’s time has expired.

Who yields time in opposition?

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from New Jersey (Mr. MENENDEZ), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. MENENDEZ) would vote “nay.”

Mr. LOTT. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3551. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the amendment (No. 3551) was rejected.

Mr. ALEXANDER. Madam President, the words I would like my colleagues to remember are “farms, yes; residential, no.” If the Alexander amendment is adopted, there would be subsidies for wind turbines up to 12 stories tall in agricultural areas, but there would be no subsidies for wind turbines in residential areas. This is called “small wind.” Twelve stories is not very tall, but I would not want to go home and explain to my constituents why I took their tax dollars and helped a neighbor build a 12-story-tall wind turbine with flashing lights in a residential neighborhood.

Farms, yes; residential, no. I ask for a “yes” vote.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. SALAZAR. Madam President, I ask my colleagues to vote no on the Alexander amendment. The Alexander amendment would essentially strip out what came out as a bipartisan supported amendment from both the Finance Committee and the Agriculture Committee. It is a step in the right direction in terms of moving forward with small wind microturbines that are very essential to our renewable energy future. This is something which is part of our whole renewable energy agenda.

I urge my colleagues to vote against the Alexander amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3553.

Mr. ALEXANDER. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DURBIN. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3553.

Mr. ALEXANDER. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from New Jersey (Mr. MENENDEZ), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. MENENDEZ) would vote “nay.”

Mr. LOTT. The following Senators are necessarily absent: the Senator from Arizona (Mr. MCCAIN) and the
malpractice who live in small towns they cannot go before the court and jury for fair compensation for their injuries, then I assume you will support this amendment.

But if you believe the medical malpractice does not belong in the farm bill, should not anybody from one class of Americans to be discriminated against and that we should give those victims a chance for their day in court, please vote no.

Mr. GREGG. Mr. President, I appreciate the courtesy of the Senator from Illinois in granting. Let me simply make this point. This is not a complicated amendment. In rural America today, there is a distinct lack of obstetricians. Women who are going to have children are having a very serious problem finding doctors who can take care of them.

That is because of the cost of malpractice insurance. This bill tracks the Texas experience and the California experience and is a very reasonable approach. You have a simple choice in this bill on this amendment. You can vote for women who need decent health care when they are having children or you can vote for trial lawyers. That is the choice. I would appreciate it if people voted for women. Thank you.

Mr. President, I ask for the yeas and nays.

The PRESIDENT pro tempore. The amendment (No. 3535) was rejected.

The PRESIDENT pro tempore. Under the previous order, there will now be 2 minutes of debate equally divided prior to a vote on amendment No. 3673 offered by the Senator from New Hampshire, Mr. GREGG.

Mr. GREGG. Mr. President, parliamentary inquiry: What is the proper order for the amendments? Is there a tradition or an order on the 2 minutes?

The PRESIDENT pro tempore. There is no order of speakers. There is 2 minutes equally divided.

Mr. GREGG. Thank you.

The PRESIDENT pro tempore. Who yields time?

If no one yields time, the time will be charged equally to both sides.

Mr. DURBIN. Mr. President, obviously the Senator from New Hampshire does not want to explain his amendment. I will. This is a medical malpractice amendment on a farm bill. This amendment picks a class of Americans who will be denied their day in court and restricted in what they can recover if they are victims of medical malpractice.

The people who will be denied their day in court, a class, women, women living in towns of 20,000 of population or less, and their children, those are the only people who will be denied the right to go to court.

If you think this is wise policy for America, to say to victims of medical
amendments, but locked in is the Brown amendment and the Tester amendment, as I outlined. I have spoken to Senator HARKIN. He, of course, is in touch often with Senator CHAMBLISS. There is every possibility we could finish this bill tomorrow. As everyone knows, we will be voting in the morning on the Dorgan-Grassley amendment and on cloture on the Energy bill. After that, we will have to see what happens and try to get back to this bill as quickly as we can.

The PRESIDING OFFICER. Is there objection?

Mr. CHAMBLISS. Mr. President, reserving the right to object, if I could ask the distinguished majority leader to add the other unanimous consent request we have agreed to.

Mr. REID. Yes. I did not have that.

AMENDMENT NO. 3803 TO AMENDMENT NO. 3000

Mr. President, I ask unanimous consent that amendment No. 3803, which is at the desk, be considered and agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection to the request, as modified? Without objection, it is so ordered.

The amendment (No. 3803) was agreed to, as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for the tax treatment of horses, and for other purposes)

At the appropriate place, insert the following:

SEC. 4. ASSET TREATMENT OF HORSES.

(a) 3-YEAR DEPRECIATION FOR ALL RACE HORSES.—

(1) IN GENERAL.—Clause (i) of section 168(e)(3)(A) of the Internal Revenue Code of 1986 (relating to 3-year property) is amended to read as follows:

"(i) any race horse.,"

(2) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service on or after the date of the enactment of this Act.

(b) EXTENSION OF HOLDING PERIOD TO 12 MONTHS FOR PURPOSES OF DETERMINING WHETHER HORSES ARE SECTION 1231 ASSETS.—

(1) IN GENERAL.—Subparagraph (A) of section 1231(b)(3) of the Internal Revenue Code of 1986 (relating to definition of livestock) is amended by striking "and horses".

(2) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 5. ELIMINATION OF PRIVATE PAYMENT TEST FOR PROFESSIONAL SPORTS FACILITY BONDS.

(a) IN GENERAL.—Section 141(a) (defining private activity bond) is amended by adding at the end the following new flush sentence:

"In the case of any professional sports facility bond (1) the definition to subsection (B) thereof."

(b) PROFESSIONAL SPORTS FACILITY BOND DEFINED.—Section 141 is amended by adding at the end the following new subsection:

"(f) PROFESSIONAL SPORTS FACILITY BOND.—For purposes of subsection (a)—

(1) IN GENERAL.—The term 'professional sports facility contract' means any bond issued as part of an issue any portion of the proceeds of which are to be used to provide a professional sports facility.

(2) PROFESSIONAL SPORTS FACILITY.—The term 'professional sports facility' means real property and related improvements used, in whole or in part, for professional sports, professional sports exhibitions, professional games, or professional training.'"

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act, other than bonds with respect to which a resolution was issued by an issuer or conduit borrower before January 24, 2007.

The PRESIDING OFFICER. The majority leader is recognized.

ENERGY INDEPENDENCE AND SECURITY ACT OF 2007

Mr. REID. Mr. President, I ask that the Chair lay before the Senate the message from the House on H.R. 6.

The PRESIDING OFFICER laid the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 6) entitled "An Act to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewable Resources Reserve to invest in alternative energy, and for other purposes."

MOTION TO CONCUR WITH AMENDMENT NO. 381

(Purpose: In the nature of a substitute.)

Mr. REID. Mr. President, I move to concur in the Senate amendment to the text with the amendment that is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senate from Nevada [Mr. Reid] moves to concur in the Senate amendment to the text of the amendment that is at the desk.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there objection?

Mr. Sessions. Mr. President, I ask unanimous consent that the live quorum under rule XXII be waived and that the Senate resume consideration of the farm bill, H.R. 2419.

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

FARM, NUTRITION, AND BIOENERGY ACT OF 2007—Continued

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: What is the order before the Senate at the present time?

AMENDMENT NO. 3596

The PRESIDING OFFICER. Under the previous order, 20 minutes of debate, evenly divided, on the Sessions amendment No. 3596.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, I will attempt to complete my remarks in less than the 10 minutes I have.

MODIFICATION TO AMENDMENT NO. 3596

Mr. President, I ask unanimous consent that I be allowed to modify my amendment.

I am told that I send to this place today that it would cost $1 million over 10 years. This would be an offset for the $1 million over 10 years. This would be an offset. I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. SESSIONS. Mr. President, I renew my unanimous consent request that I be allowed to modify my amendment to allow for an offset for the $1 million cost over 10 years.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Reid motion to concur in the House amendment to the Senate amendment to the text with an amendment, with reference to H.R. 6. Energy: Jeff Bingaman, Barbara Boxer, Ben Nelson, Dick Durbin, Debbie Stabenow, Kent Conrad, Maria Cantwell, Ken Salazar, Tom Carper, Joe Lieberman, Daniel K. Akaka, Daniel K. Inouye, Robert P. Casey, Jr., Mark Pryor, Dianne Feinstein, B.A. Mikulski, Sherrod Brown, Jim Webb.

Mr. REID. Mr. President, I ask unanimous consent that the live quorum under rule XXII be waived and that the Senate resume consideration of the farm bill, H.R. 2419.

The PRESIDING OFFICER. Without objection, it is so ordered.
In a few years, we will see how it is working. If it is not working, so be it. If it is working, we might want to make it permanent. So I ask my colleagues to support this amendment.

I yield the floor, reserving the remainder of my time.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, we are constantly coming to the floor or going into committees and talking about how complicated the crop insurance is. When it comes to the complicated programs we deal with, it is critically important that Members, as well as our staffs, think outside the box and come up with new ideas, new concepts that make sense, where we can take bureaucratic programs and streamline them, make them better, make them easier, make them more, in this case, farmer friendly.

For that reason I compliment the Senator from Alabama. I think he has come up with an excellent idea. It has the potential of being something similar to an idea that was prevalent in the House several years ago that was proposed by a Congressman from Kansas, Kenny Hulshof, and that was to create farm savings accounts that the farmers that get more crop insurance money in good years and put it, tax-free, into a savings account and save it for a time down the road where he knows he was going to have a tough year and he would have that money available. That is exactly what the essence of the amendment made by this Act is reduced to what Senator Sessions is talking about. I do think it is a great concept.

The problem I have with the amendment right now is that we have had no hearings on it in the committee, and we are not sure of whether it can even be implemented as a part of this particular farm bill in conjunction with the crop insurance provisions that are in our bill. I have talked to my dear friend Senator Sessions. I have told him I respect him and admire him against it, but a vote against it is not a vote against the concept or against the fact that he has now come in and has thought outside the box, and I think he has a very good concept that I would encourage the chairman to look at as we move in the next year into the implementation of this farm bill. Let's have some hearings. Let's get some economists, some crop insurance folks to think about it and see if we can't maybe even think about a stand-alone bill for it and not wait for the next farm bill.

So I think it has merit. I just think trying to incorporate it into this bill presents complexities that I don't think we can accommodate.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I join my colleague and concur in his remarks on the Sessions amendment. For a lot of subjects before us we get good ideas up front that come up via amendments on bills. This isn't the first time it has happened. As Senator Chambliss said, this idea has been talked about, floated around for a while. Senator Sessions has perhaps focused it more than I have seen in the past on the savings account idea.

But I think Senator Chambliss is right. This is a very complicated subject. It involves a number of different considerations and as well as interactions with other programs in agriculture. I would just say to my friend from Alabama that I would, with Senator Chambliss, be willing to have some hearings on this next year, and I invite the Senator to talk to some of his colleagues, in as Senator Chambliss says, some agricultural economists, some agricultural producers, and see what this proposal would do. If it has legs, if it has some merit, we could move it.

Just because we pass a farm bill doesn't mean that our committee is dormant for 5 years. We will be holding hearings and working on legislation. The occupant of the chair, too, will be moving in the next year into the implementation of this farm bill. Let's have some hearings on it next year.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the chairman for his willingness to consider this. I do believe we have given a good bit of thought to it, and I have shared it with the committee for the last several or couple weeks. But at any rate, I urge my colleagues to support it, recognizing that it is a pilot program involving only 1 percent of the farmers in America and from that pilot program, we may learn that we have a good program indeed. So I urge support for it.

I yield the floor, and I yield the remainder of my time.

The PRESIDING OFFICER. There is 5½ minutes remaining.

The Senator from Minnesota is recognized.

Ms. KLOBUCHAR. Mr. President, I am here to speak briefly on my amendment, which is amendment No. 3810. I am going to reserve most of my time for tomorrow because some of my colleagues want to address this bill.

Mr. President, America's farm safety net was created during the Great Depression. It was created to protect struggling family farmers from volatile prices and from volatile weather. I think the reasons for that safety net still remain today. That is why I am a strong supporter of this farm bill. If we are going to have thinking outside the box, if we are going to have forward thinking provisions in this farm bill, including with regard to energy, cellulose energy—something near and
Mr. COBURN. First of all, I would like to take just a moment—we had an amendment No. 3530 which I think the committee has agreed to accept and will come to later, but I wanted to spend a moment talking about it. Of the last 20 years, the U.S. Department of Agriculture has paid out $1.1 billion to dead farmers. Forty percent of them have been dead over 7 years; 19 percent of them have been dead over 11 years. Yet they continued to pay them. I very much appreciate the chairman and ranking member for their consideration.

What this will do is to make USDA go back and say: If you haven’t gotten your estate settled in 2 years, you have to be talking to us rather than us continuing to make farm payments to people who are no longer alive. I appreciate their acceptance of that amendment.

AMENDMENT NO. 3632

I wish to set aside the pending amendment and call up amendment No. 3632.

The PRESIDING OFFICER. The amendment is pending.

Mr. COBURN. Thank you, Mr. President, for the amendment. This is a fair and straightforward amendment. It fits with a lot of things they have done in this bill. This is about the EQIP program. This is about environmental capacity to save in terms of runoff, decrease load streams, and do a lot of things in terms of the government’s capacity behind it are good. This amendment is very simple. All it says is that you ought to be a real farmer to get EQIP money.

You ought to get two-thirds of your money from agriculture before you are eligible for getting this money. Why is that a problem? The problem is that our real farmers are not getting the vast majority of the money; it is our nonfarmers. If you buy 160 acres, what the marketing guy says is: I have a way for you to refence this land and build a new pond, and it will increase the value and you can turn around and sell it, except the American taxpayers pay for 40 percent of the improvements on it. You never have to run a head of cattle on it; you never have to raise a crop on it. You can just invest in the land and qualify. That is not the intended purpose for EQIP or why we created it. I believe EQIP funds ought to do that for you. What this does is take the doctor who is play-farming or play-ranching and using American taxpayer money to improve the value of his land so he can turn around in a year and a half and sell it and make money. It doesn’t save you anything in terms of the intended purpose of EQIP.

All this says is that if you are a real farmer and you get two-thirds of your income from farming, agriculture, this would not apply to you. But if you are gaming the system, gaming EQIP to advantage yourself, and not as a person in production agriculture but as an investor in land or as a speculative
land, you ought not to be able to use these moneys to increase the value. Fencing hardly improves the environment. Yet we spend money out of EQIP for farms and ranches that are small and are not owned by real farmers but gentlemen farmers who don’t produce anything but they own it and improve the environment on some land they own and they qualify. We ought not to be paying for that with American taxpayer money. It is straightforward. It says you ought to be a real farmer before we allow EQIP money to be used; and we ought not to be helping people who are building a young farm and excluding those who are using the American taxpayer money to improve the quality of their land so they can turn around and sell it?

Mr. HARKIN. I could not agree with the Senator more. When I hear what he says, the answer is, yes, I wish we could figure out how we do that. We have not done that, and we should do that.

On the 71 percent, that might sound alarming, but that says to me there are a lot of people out there farming who aren’t making a lot of money on the farm. They do have some farm income, but think about it this way: people who have a bona fide farm or ranch, but they may have another business in town—maybe they are an elevator operator or something, but they are farmers.

I think we have to be very careful about this. I think there are a lot of these people in that 71 percent—I haven’t looked at the breakdown—who are these younger farmers and have to have some off-farm income to help make ends meet or maybe they need farm income to pay away for college savings or something.

Mr. COBURN. Will the chairman yield for another question?

Mr. HARKIN. Sure.

Mr. COBURN. Would the Senator think a certification as to intent by people who apply for EQIP that their primary vocation is either now or is intended to be agriculture would be a way in which we might accomplish the goal? I am willing to withdraw this amendment if we can work on that.

Mr. HARKIN. That sounds interesting.

Mr. COBURN. I don’t want the small farmer to be excluded, but I think the amount of money going to nonfarmers is a lot greater than you think it is. It is not going to real farmers who have real needs and the vast majority of the acres where we are going to make the biggest difference on the environment. I ask if he would work with me between now and when the time the bill comes out of conference to see if we cannot address that, and if he would do so, as well as the ranking member, I will ask unanimous consent to withdraw this amendment.

Mr. HARKIN. I give the Senator my word. I want the same thing he wants. It burns me up, too, to see some of these people who buy acres and they get EQIP money to put up a nice pond or a horse shed. I agree with him. Maybe we can get our staffs and get people to think about how we might fashion this to exclude those people from the EQIP program. I would love to see that happen.
Mr. CHAMBLISS. I say to the Senator from Oklahoma, also, he knows I sympathize with him on this issue. We talked about it. He talked to me about a couple of specific instances that are just wrong. I talked earlier today about the hard work they try to prohibit abuses that crop up in farm programs, we know they are there. Whatever we can do to close the loopholes, I would like to do it here. Obviously, I am happy to continue to work with the Senator from Oklahoma.

Mr. COBURN. The result will yield further, maybe the Senator is onto something in terms of intent or what they are doing, coupled with, perhaps, the productive capacity and what that land is actually producing on an annualized basis.

Mr. COBURN. I think we can work that out.

Amendment No. 3622, Withdrawn
I ask unanimous consent to withdraw my amendment, and I will work with the chairman and ranking member on this issue.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. COBURN. Mr. President, what is the pending business before the Senate? Is there a unanimous consent request as far as further amendments?

The PRESIDING OFFICER. Under the previous order, all time having expired on the two amendments that were being debated, the time now occurs for a vote on the Senate amendment.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. The Senator from Iowa is recognized.

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

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

Mr. REID. Mr. President, I have had Senator CHAMBLISS and Senator HARKIN working on a number of amendments. Senator COBURN is not requiring a yeas and nays on his amendment. It has been withdrawn. So tonight under the order before the Senate, we have one vote on the Senate amendment. After that, there will be no more votes tonight. The first vote in the morning will be at 9:15. We are going to have to keep to the time schedule in the morning because we have four people anxious to go to other places tomorrow.

Amendment No. 3830, as Modified
The PRESIDING OFFICER. The question is on agreeing to amendment No. 3830, as modified, offered by the Senator from Alabama, Mr. Sessions.

The amendment (No. 3596), as modified, was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, we are making good progress. Senator CHAMBLISS and I have been working very hard today to get amendments up. I think we are down to just a few we will be voting on tomorrow, and we will do perhaps a little bit more work tonight. I would say to any Senator whose amendment is on the list who wants to debate it, we are here. They could debate the amendment tonight and get in order tomorrow. I have a couple of things I want to wrap up.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARKIN. I ask for regular order with respect to amendment No. 3830.

The PRESIDING OFFICER. The amendment is now pending.
Mr. HARKIN. Mr. President, I send an amendment to the desk.

Mr. CHAMBILLES. Mr. President, reserving the right to object—

Mr. HARKIN. It is just a second-degree.

Mr. CHAMBILLES. I withdraw my objection.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 3845 to amendment No. 3539.

Mr. HARKIN. Mr. President, I call up amendment No. 3539. It is an amendment by Senator DURBIN, No. 3539. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is pending and without objection the amendment will be made the pending question.

Amendment No. 3845 to Amendment No. 3539

Mr. HARKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for Mr. KENNEDY, for himself and Mr. DURBIN, proposes an amendment numbered 3845 to amendment No. 3539.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. 1170. ACTION BY PRESIDENT AND CONGRESS BASED ON REPORT.

(a) President.—Not later than 180 days after the date on which the Congressional Bi-partisan Food Safety Commission established by section 11608(a)(1)(A) submits to the President and Congress the report required under section 11600(b)(8), the President shall—

(1) review the report; and

(2) submit to Congress proposed legislation based on the recommendations for statutory language contained in the report, together with an explanation of the differences, if any, between the recommendations for statutory language contained in the report and the proposed legislation.

(b) Congress.—Upon receipt of the proposed legislation described in subsection (a), the appropriate committees of Congress may hold such hearings and carry out such other activities as may be necessary for appropriate consideration of the recommendations for statutory language contained in the report and the proposed legislation.

(c) Sense of Senate.—It is the sense of the Senate that—

(1) it is vital for Congress to provide to food safety agencies of the Federal Government, including the Department of Agriculture and the Food and Drug Administration, additional resources and direction with respect to ensuring the safety of the food supply of the United States;

(2) additional inspectors are required to improve the ability of the Federal Government to safeguard the food supply of the United States;

(3) because of the increasing volume of international trade in food products, the Federal Government should give priority to entering into agreements with trading partners of the United States with respect to food safety; and

(4) based on the report of the Commission referred to in subsection (a) and the proposed legislation referred to in subsection (b), Congress should work toward a comprehensive legislative response to the issue of food safety.

Mr. DURBIN. Mr. President, I rise to speak in support of the pending amendment offered by friend and colleague Senator KENNEDY.

This is an amendment that would make important changes to America's food safety policy.

We clearly need to make a change. For far too long, we have gone without a comprehensive review of our food safety laws.

Ancient statutes remain on the books, standards have not been updated, budgets have atrophied, and consumers have suffered from food borne illness.

In 2007, the Government Accountability Office, GAO, added the food safety system to its “High Risk List” of government functions that pose a risk to the United States.

The designation follows an extensive series of GAO, National Academies of Science, and inspector general reports calling for major improvements in our food safety system.

This year alone, we have witnessed 48 recalls of contaminated products regulated by the Department of Agriculture, USDA, Food Safety Inspection Service, FSIS, and more than 150 recalls of contaminated products regulated by the Food and Drug Administration, FDA.

included in these statistics are recalls of more than 3 years of production of certain brands of peanut butter tainted with salmonella, a full year of production of ground beef tainted with E. coli, and more than 100 brands of popular cat and dog food.

In the past 2 months alone, there have been recalls of 5 million units of frozen pizza and 1 million more pounds of beef tainted with E. coli.

According to the Centers for Disease Control and Prevention, CDC, there are approximately 76 million cases of food borne illness each year in the United States. While many of these cases are mild, CDC estimates that food borne illnesses cause 325,000 hospitalizations and 6,000 deaths each year.

The food industry is one of the most important sectors of the national economy, generating more than $1 trillion annually and employing millions of American workers.

Unfortunately, over the past several months, consumer confidence in the safety of our food supply has dropped precipitously, posing a risk to this sector of the economy.

According to the Food Marketing Institute’s 2007 survey of consumer confidence, the number of consumers confident in the safety of supermarket food declined from 82 percent in 2006 to 66 percent today—the lowest point since 1989. The same survey shows that consumer confidence in restaurant food is even lower, at 43 percent.

Although the United States continues to have one of the safest food supplies in the world, the authorities standards we set and the investments in food safety we make are being surpassed by other major industrialized nations.

A significant portion of the responsibility for this trend rests with Congress. While other countries have updated their food safety laws to reflect best available science, technology, and practices, we have allowed our statutes to become dated and obsolete.

We have undermined this critical government function.

It is alarming that the safety of our food supply depends on ancient statutes that were written to address vastly different food safety challenges.

The Federal Meat Inspection Act was passed in 1906 partly in response to Upton Sinclair’s accounts of Chicago’s meat packing plants in his novel “The Jungle.”

There has been only one major review of our meat laws and that occurred 40 years ago.

The Poultry Products Inspection Act celebrates its 50th anniversary this year and the Egg Products Inspection Act is more than 35 years old.

The Federal Food, Drug, and Cosmetic Act was passed in 1938 and has never been comprehensively reauthorized.

This is the key statute used by the Food and Drug Administration to regulate about 80 percent of our food supply.

Since then, although our understanding of food borne illness, preventative measures, microbiology, sanitation practices, and industry best practices has been transformed by developments in science and technology, the core principles of these statutes remain in place.

Into this void has stepped an uncoordinated, irregular sweep of crises-specific legislation, such as the Infant Formula Act of 1980 and Import Milk Act, as well as dozens of regulatory efforts to improve the safety of specific products.

Agencies have faced legal challenges as to whether they have the authority to implement some of these regulations.

It is time that Congress stepped forward to exercise oversight and ensure that we comprehensively improve our food safety system.

That is why my colleague Senator KENNEDY and I are offering an amendment to the farm bill that would set a trajectory toward a comprehensive review of the laws that underpin our food safety system.

Although food safety is one of the most dynamic functions of the federal government and relies heavily on developments in science, technology, and best practices, there is optimism for Congress to regularly review developments and reauthorize the agencies that perform these tasks.
Already included in the bill we’re considering is language that would create a Food Safety Commission, a mechanism for Congress, the administration, academia, industry, consumer groups, and others to work together on comprehensive food safety reform and recommend specific statutory language.

The Commission is tasked with studying the in our current system and making specific legislative recommendations to the President and Congress on how to improve our laws.

We have directed the Commission to do its work based on universally agreed upon principles—allocate resources according to risk, base policies on best available science, improve coordination of budgets and personnel.

This amendment goes further than that language. It directs the President to review these recommendations and findings and report his or her recommendations back to Congress in a timely fashion.

The language puts Congress on a track of holding hearings and moving such comprehensive food safety reform through the process.

Lastly, the language contains sense-of-the-Senate language that it is the policy of the U.S. Senate to provide our food safety functions with adequate resources, that we increase the number of inspectors looking at food shipments, and that it is vital for Congress to move forward with comprehensive food safety reform.

This amendment will compel the participation of all stakeholders in the Commission process and will compel Congress and the Administration to act on its recommendations.

I offer this amendment and ask for my colleagues to support this effort to modernize our food safety system.

Mr. HARKIN. I ask that the second-degree amendment be agreed to.

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

The amendment (No. 3845) was agreed to.

Mr. HARKIN. I ask the amendment, No. 3539, as amended, be agreed to.

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

The amendment No. 3539, as amended, was agreed to.

CHESAPEAKE BAY WATERSHED CONSERVATION PROGRAM

Mr. CARDIN. Mr. President, I wish to engage the distinguished chairman and ranking member of the Agriculture Committee in a colloquy.

Mr. HARKIN. I am happy to yield to my friend from Maryland.

Mr. CHAMBLISS. I, too, am happy to engage my friend from Maryland in discussion.

Mr. CARDIN. Mr. Chairman, all of us who represent Chesapeake Bay watershed States in the Senate are grateful that this bill has come out by the Agriculture Committee recognizes the very serious challenge that we have with excess nutrients and sediments in the bay. As I testified to your committee back in the spring, every year huge areas of the Chesapeake Bay and its tidal tributaries become “dead zones,” which occur when there isn’t enough dissolved oxygen for aquatic life to survive. Not all the excess nutrients that create these dead zones come from agriculture, but a substantial part of them do. The Chesapeake Bay Watershed Conservation Program in your bill will go a long way in assisting farmers to reduce the amount of nutrients that come from farms.

Mr. HARKIN. That is correct. Senator. Section 2361 provides an additional funding stream totaling $165 million from 2007 through 2012 to address the critical needs of the Chesapeake Bay watershed. This funding is separate from EQIP and is not intended to offset funding allocated under that program. Mr. CARDIN. I thank the chairman for that clarification. I would like to ask the distinguished ranking member, the senator from Hawaii, to review these recommendations back to Congress in a timely manner.

Mr. AKAKA. Mr. President, as chair of the committee, I worked with then-chairman CRAIG to gain passage of the legislation by unanimous consent. There is much in S. 1233, the committee’s omnibus VA health bill, that needs to be enacted, like an increase in the reimbursement rate for veterans who must travel long distances for VA care, and vital provisions to help veterans from becoming homeless. Never, in my memory, have we let a disagreement on one provision stand in the way of passing a legislative package, especially at such a critical time.

Senator CRAIG feels most strongly about allowing middle-income veterans to enroll for VA health care. In 2003, the Bush administration shut the doors to these veterans, and since that time, hundreds of thousands of veterans have been turned away. I want to be clear that these veterans are not asking for a free ride. Indeed, they will be required to make copayments for their care. What they are asking for is entry into that system. We estimate that 1.3 million veterans want this opportunity. And some in this body are standing in their way.
Many veterans have been denied VA health care under the current ban. Take, for example, California, where over 22,500 veterans have been denied enrollment; or Texas, where 23,800 have been denied access since 2003. This phenomenon is not limited to the larger States—17 veterans in Pennsylvania; 12,300 in Illinois; 36,000 in Florida; and over 14,000 in North Carolina have all been denied VA health care.

Also, I want to clarify that we are not talking about allowing veterans with “upper-income” entry into VA care. While the administration, and some of my colleagues, characterize Priority 8 veterans as “higher-income,” that is not necessarily the case. The current income eligibility threshold for VA health care is under $28,000 a year—which can hardly be classified as a “high-income” salary. In my home State of Hawaii, where the cost of living is one of the Nation’s highest, the average salary for a veteran who has been a veteran for a year is $21,600.

It is not just in Hawaii, but in many other States as well. For example, in South Carolina, the threshold is $31,650 a year; in North Carolina, $32,000 a year is considered low-income. These are not extreme numbers—the dollar values represent the hard work of veterans who have served honorably and are now earning well below the median income for their area.

No, these are not poor veterans. But one does not need health care without health care coverage, and make no mistake about it, they will be impoverished.

Many of these veterans do not have any other form of health insurance. A recent study conducted by researchers at Harvard University found that near-ly 1.8 million veterans are uninsured. This suggests that there are veterans in Priority 8 who are stuck in the middle between not making enough money to afford their own private insurance and making enough to qualify for VA care. No veteran who served their country honorably should be denied care when they need it because they were fortunate enough not to have been wounded in combat.

I urge Members to read the text of the contested provision relating to Category 8 veterans. If the Secretary of Veterans Affairs sees opening up enrollment as too much of a financial burden, the Secretary could simply publish a change in the Federal Register to again block these veterans. Congress is not seeking to overstep the Secretary’s authority to determine who can come through VA’s doors.

Finally, Senator Enzi calls the inclusion of enrollment for middle-income veterans, a “last minute” addition. I say with a smile, that while time does seem to stand still in the Senate, I would remind my colleagues that the bill enabling full enrollment was introduced last April, it was the subject of a hearing in last May, and was marked up by the committee in June. This is not something that can be characterized as a “last-minute” change.

Now I turn briefly to address concerns raised about S. 3315, the committee’s omnibus veterans benefits legislation. The proposed Veterans’ Benefits Enhancement Act of 2007 is a comprehensive bill that includes benefits for a broad constituency of service-disabled veterans and veterans, particularly those who are service-disabled. Provisions in this bill would also improve benefits for World War II Filipino veterans, virtually all of whom are now in their 80s or 90s. While not all Filipino veterans living outside the United States with benefits identical to those provided to veterans living in the United States, I am satisfied that the provisions in S. 3315 are equitable and should be adopted. It is important to note that S. 3315 would fix a historical wrong.

Filipino veterans served under the command of the United States military during World War II. They were considered by the Veterans’ Administration, the predecessor of the Department of Veterans Affairs, veterans of the United States military, naval and air service until that status was revoked by the Rescission Acts of 1946. Therefore, as a matter of fundamental fairness and justice, Filipino veterans’ benefits should be similar to those of other veterans.

Those who oppose the pension provision in S. 3315 argue that the pension that would be provided through this legislation is too high. However, pension benefits are designed to allow wartime veterans and their survivors to live in dignity—above the poverty level. I am satisfied that the levels of pension designated in this bill would allow these veterans to live with such dignity, while finally giving them the recognition that they so richly deserve.

I urge my colleagues on the other side of the aisle to take a good look at the facts surrounding the provisions contained in both S. 1233 and S. 3315 that some on the other side are objecting to, and to realize that opposing these bills will be a tragic disservice provided effectively denies valuable and meaningful benefits to our Nation’s veterans.

In closing, I again stress that all we are seeking is a time agreement that will allow for debate for those who believe that there are provisions in these two bills that should not be approved by the Senate, offer amendments, debate the merits, let the Senate vote. That is the least we can do as we seek to meet the needs of our Nation’s veterans.

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

Mr. SALAZAR. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. HARKIN. Mr. President, I ask unanimous consent that there now be a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

TRIBUTE TO BRIGADIER GENERAL BENJAMIN J. SPRAGGINS

Mr. LOTT. Mr. President, I wish to take this opportunity to recognize and say farewell to an outstanding Air Force officer, BG Benjamin J. Spraggins, upon his retirement from the Air Force after more than 34 years of service. Throughout his career, Brigadier General Spraggins has served with distinction, and it is my privilege to recognize his many accomplishments and commend him for his service to the Air Force, the Congress, and our great Nation.

Brigadier General Spraggins is a longtime resident of my home State and devoted public servant of Harrison County, MS. He enlisted in the U.S. Air Force on March 17, 1972. After over 6 years of successful enlisted service, the graduate of the Air Force Academy, the graduate of the Air Force Reserve Officer Candidate School, Brigadier General Spraggins completed his military flying career with over 2,500 hours in the T-37, T-43, RF-4C, and F-4D aircraft.

On September 23, 1987, Brigadier General Spraggins was assigned to the Combat Readiness Training Center, Gulfport, MS. During his tenure at the training center, he served in various positions, including range control officer, group commander, and finally as commander of the Combat Readiness Training Center. As commander, Brigadier General Spraggins was responsible for operations and training of over 28,000 military personnel annually and provided oversight for a $75 million budget.

Concurrently, Brigadier General Spraggins was sent to Andrews Air Force Base, DC, in 2002 to run the C-5 Air Refueling Wing, where he was responsible for operations of KC-135 aircraft wing, with
over 1,000 personnel and oversight of a $48 million annual budget. He was the first member of the Mississippi Air National Guard to simultaneously command two major units, the Combat Readiness Training Center and the 186th Air Refueling Wing.

Brigadier General Spraggins was assigned to the Tennessee Air National Guard in November 2005 as the chief of staff. In this capacity he was responsible to the adjutant general for readiness within three flying wings and three mission support units. In addition to duties as chief of staff, Brigadier General Spraggins also served as the air deputy commander, joint forces headquarters, Tennessee National Guard. Brigadier General Spraggins was also attached as the battle commander for Air Force North, Tyndall AFB, FL. In this capacity he was responsible for ensuring the air sovereignty and air defense of the continental United States.

During his long and distinguished career, Brigadier General Spraggins successfully completed Squadron Officer School, Air Command and Staff, and the Air War College with the Air University. His decorations and awards include Legion of Merit, Meritorious Service Medal, Air Force Commendation Medal, Mississippi Magnolia Cross, Tennessee Meritorious Service Medal, Combat Readiness Medal, Air Reserve Forces Meritorious Service Medal, National Defense Service Medal, Air Force Longevity Service Medal, Armed Forces Reserve Medal and the Air Force Training Ribbon.

Upon the retirement of Brigadier General Spraggins after 34 years of dedicated service, I offer my congratulations to him and his wife Judy. Brigadier General Spraggins is a credit to both the Air Force and the United States of America. I know that I speak for all of my colleagues in expressing heartfelt congratulation to him. I wish Brigadier General Spraggins blue skies and safe landings and congratulate him on completion of an outstanding and successful career.

HONORING OUR ARMED FORCES
CORPORAL TANNER O’LEYAR

Mr. JOHNSON. Mr. President, I rise today to pay tribute to Corporal Tanner O’Leary and his heroic service to our country and to his home town of Timberville, Virginia.

As a young man Corporal O’Leary coached his school’s C Company, 1st Battalion, 508th Parachute Infantry Regiment, 82nd Airborne Division based in North Carolina, Corporal O’Leary was serving in support of Operation Enduring Freedom. On December 9, 2007, he was killed in action.

Mr. President, Corporal O’Leary was born in Virginia and attended School, Air Command and Staff, and the United States Military Academy. His decorations and awards include Legion of Merit, Meritorious Service Medal, and the Air Force Commendation Medal.

Concurrent Resolution on the Budget for Fiscal Year 2008—S. Con. Res. 21; Further Revisions to the Conference Agreement Pursuant to Section 307 Deficit-Neutral Reserve Fund for the Farm Bill

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FURTHER CHANGES TO S. CON. RES. 21

Mr. CONRAD. Mr. President, section 307 of S. Con. Res. 21, the 2008 budget resolution, permits the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other appropriate levels for legislation, including bills or more bills and amendments, that reauthorizes the 2002 farm bill or similar or related programs, provides for revenue changes, or any combination thereof. Section 307 authorizes the revisions provided that certain conditions are met, including that amounts provided in the legislation for the above purposes not exceed $20 billion over the period of fiscal years 2007 through 2012 and that the legislation not worsen the deficit over the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

I find that Senate amendment No. 3551 offered by Senator Alexander to Senate amendment No. 3500, an amendment in the nature of a substitute to H.R. 2419, satisfies the conditions of the deficit-neutral reserve fund for the farm bill. Therefore, pursuant to section 307, I am adjusting the aggregates in the 2008 budget resolution, as well as the allocation provided to the Senate Agriculture, Nutrition, and Forestry Committee.

I ask unanimous consent that the following revisions to S. Con. Res. 21 be printed in the RECORD.

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

Section 307

(1)(b) Change in Federal Revenues:

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[In billions of dollars]
EXECUTIVE BRANCH NOMINATIONS

Mr. LEAHY. Mr. President, with only a few legislative days left to us before the Christmas holidays and the end of this session, we continue seeking to make progress in filling the many U.S. attorney vacancies across our Nation and the high-level vacancies at the Justice Department.

Today, the Senate will confirm three more nominations for U.S. attorneys, including the nominations of Gregory A. Brower to the District of Nevada, Diane J. Humetewa to the District of Arizona, and Edmund A. Booth, Jr. to the Southern District of Georgia. Two of the three nominations—Ms. Humetewa and Mr. Brower—are replacements for two of the outstanding U.S. attorneys who were fired almost a year ago as part of the so-called partisan plan to replace well-performing U.S. attorneys. I thank the home State Senators—Senators REID, ENSIGN, McCAIN, KYL, CHAMBLISS, and ISAACS—for their consideration of these nominations.

We also are proceeding to fill one of the many high-level vacancies at the Department of Justice by confirming the nomination of Ronald Jay Tenpas to be Assistant Attorney General for the Environment and Natural Resources Division at the Justice Department. I thank Senator WHITEHOUSE for chairing his hearing.

Over the course of this year, the Judiciary Committee’s investigation into the firings of U.S. attorneys and the influence of White House political operatives on Federal law enforcement has led to resignations at the highest ranks in the Justice Department, including the Attorney General, the Deputy Attorney General, the Associate Attorney General, the chiefs of staff of the Attorney General and Deputy Attorney General, the White House liaison, as well as several White House officials.

When I met with Michael Mukasey before his confirmation hearing to replace Alberto Gonzales as Attorney General, I emphasized the need to fill the many vacancies that remain at the Department with nominees who will restore the independence of Federal law enforcement.

In the days before the congressional Thanksgiving recess, the White House made a show of releasing the names of a score of nominees for high-level positions in the Department of Justice. Yet, that announcement was mostly bluster. We received the nomination of Mark Filip to be the Deputy Attorney General nearly 3 full weeks after the announcement was made. Had the nomination been sent immediately following the White House announcement, the committee could have considered Judge Filip’s nomination in early December. As it was, after a 3-week White House delay in sending up the nomination, I immediately set a hearing on his nomination for next Wednesday, December 19, once the Senate received it.

Nearly a month after the White House announced its intent to nominate Kevin O’Connor be the Associate Attorney General and Gregory Katsas to be the Assistant Attorney General of the Civil Division at the Department of Justice we have only now received those nominations. We have not yet been provided with their background materials to allow us to review them. Because of the administration’s delay, we will not be able to consider those nominations before the end of the year.

The Judiciary Committee has reported 20 executive nominations this year. To make further progress, the committee is holding back-to-back hearings next week, before the Christmas break, on six nominations for senior leadership posts at the Justice Department and Executive Office of the President, including the recently received nomination to be Deputy Attorney General.

There are now 23 districts with acting or interim U.S. attorneys instead of Senate-confirmed, presidentially appointed U.S. attorneys, over a quarter of all districts. Many of these vacancies, including several for which we consider nominations today, could have been filled a year ago had the White House worked with the Senate.

In the course of the committee’s investigation into the unprecedented mass firing of U.S. attorneys by the administration, we uncovered an effort by officials at the White House and the Justice Department to exploit an obscure provision enacted during the Patriot Act reauthorization to do an end-run around the Senate’s constitutional duty to confirm U.S. attorneys. The result was the firing of well-performing U.S. attorneys for not bending to the political will of political operatives at the White House.

When it comes to the United States Department of Justice and to the U.S. attorneys in our home States, Senators have a say and a stake in ensuring fairness and independence in order to insulate the Federal law enforcement function from untoward political influence. That is why the law and the practice has always been that these appointments require Senate confirmation. The advice and consent check on the appointment power for U.S. attorneys is a critical function of the Senate.

I had hoped when the Senate unanimously voted to close the loophole created by the Patriot Act, passing S.214, the “Preserving United States Attorney Independence of 2007,” it would send a clear message to the administration to make nominations that could receive Senate support and begin to restore an important check on the partisan influence in law enforcement.

Yet, even as we closed one loophole, the administration has been exploiting others to continue to avoid coming to the Senate. Under the guidance of an erroneous opinion of the Justice Department’s Office of Legal Counsel, the administration has been naming acting U.S. attorneys and interim U.S. attorneys sequentially. They have used this misguided approach to put somebody in place for 300 days while seeking advice and consent of the Senate. This approach runs afoul of congressional intent and the law.

We will continue to make progress where we can and I will continue to urge the White House to seek the Senate consensus, qualified nominees. I congratulate the nominees and their families on their confirmation today.
Congressional Record — Senate December 12, 2007

SAUDI ARABIA ACCOUNTABILITY ACT

Mr. FEINGOLD. Mr. President, I wish to express my support for Senator Specter’s Saudi Arabia Accountability Act of 2007, S. 2243. I am pleased to co-sponsor this bill, which addresses the importance of Saudi cooperation with the U.S. on counterterrorism issues.

It is also important, however, that we raise concerns about Saudi Arabia’s poor human rights record, weak rule of law, one-sided political and religious repression, and poor treatment of women. For instance, last month a court in Saudi Arabia doubled its sentence of lashings for a rape victim who had elected to speak publicly about her case and her attempt at justice. According to human rights organizations, the court also harassed her lawyer, banned him from the case, and confiscated his professional license.

Similarly, 2 of the country’s leading reformers, the brothers Abdullah and Issa al-Hamid, were recently sentenced to 6 months in jail after they themselves were arrested for reportedly requiring the Saudi intelligence forces to produce an arrest warrant when seeking to detain peaceful demonstrators protesting. I applaud the work being done through the GTRI, and I look forward to the day when we no longer have to be concerned with the possibility of an illicit acquisition of nuclear fuel.

NNSA SECURES HIGHLY ENRICHED URANIUM

Mr. DOMENICI. Mr. President, I wish today to bring attention to the progress being made by the National Nuclear Security Administration, NNSA, on the front of global nuclear non-proliferation. Yesterday the NNSA announced that 176 pounds of highly enriched uranium, HEU, had been secured from the Nuclear Research Institute in Rez, Czech Republic and safely returned to Russia. With the cooperation of several countries, this nuclear fuel has been secured and returned to its country of origin, reducing the risk of it falling into the wrong hands.

Nuclear nonproliferation programs such as the NNSA’s Global Threat Reduction Initiative, GTRI, are some of the most important tools we have to curb the threat of nuclear material being acquired by those who wish to do us harm. With the addition of this most recent shipment, the GTRI program has returned over 1300 pounds of HEU to Russia from civilian sites worldwide, and the work being done through the GTRI, and I look forward to the day when we no longer have to be concerned with the possibility of an illicit acquisition of nuclear fuel.

IN CELEBRATION OF BRUNO NOWICKI’S 100TH BIRTHDAY

Mr. LEVIN. Mr. President, I rise today to recognize the 100th birthday of my friend Bruno Nowicki, of Warren, MI.

Bruno has led a remarkable life. He was born in Sosnowiec, Poland, immigrating to the United States as a young man. His love for his native Poland is exceeded only by his love for Michigan and the United States of America. He launched a career as a journalist and writer in Pittsburgh and Chicago before moving to Detroit where he became a small businessman and raised a family. I had the privilege of appointing Bruno’s granddaughter, Genevieve Nowicki, to serve as a Senate page in 1991.

Bruno is an expert chess player. He once played against Bobby Fischer, and chess is an activity that he continues to enjoy today. Years ago, Bruno urged me to examine the educational benefits of chess. We found that chess is proven to help students develop high order thinking skills, discipline and increased math skills. The Goals 2000: Education America Act includes language that Bruno Nowicki inspired, and the legislation that I pushed for in the Senate, that allows Federal funds for low-achieving schools to be used for chess instruction as an enrichment program.

This bill has helped bring chess into schools across America.

In Michigan, Bruno has been instrumental in acquiring and placing sculptures that pay tribute to his Polish heritage. The sculptures appear across the State from Ann Arbor, where he lives, to northern Michigan, serving as a reminder of the rich Polish heritage of so many people in Michigan and of Poland’s significant contributions to America’s history and culture. A statue of Astronomer Nicolaus Copernicus sits in the Detroit Public Library. A sculpture of Frederic Chopin is placed in Interlochen, home to a world-renowned fine arts school. And a bust of Joseph Conrad graces the Hamtramck Public Library.

Conrad wrote: “Each blade of grass has its spot on earth whence it draws its life, its strength; and so is man rooted to the land from which he draws his faith together with his life.” These words are certainly true for Bruno. In his 100 years, Bruno has been rooted in both his Polish homeland and his American home in Michigan, drawing life and strength from each and making Michigan the better for it.

The Polish birthday song “Sto Lat” includes the refrain “I hope you live one hundred years.” Bruno was never quite willing to settle for only 100 years. Now, as he enters his second century, I wish Bruno many more years of happiness, and I offer my congratulations and my thanks for his friendship and his contributions to his beloved America.

ADDITIONAL STATEMENTS

100TH ANNIVERSARY OF PINNACLES NATIONAL MONUMENT

Mrs. BOXER. Mr. President, I take this opportunity to recognize the 100th anniversary of Pinnacles National Monument, located in San Benito County, CA.

On January 16, 1908, President Theodore Roosevelt proclaimed 2,080 acres of the Pinnacles National Forest Reserve as Pinnacles National Monument. This year, we celebrate its centennial anniversary. Part of an extinct volcano, the spectacular geology of Pinnacles National Monument has fascinated visitors for decades. A variety of flora and fauna flourishes in this unusual landscape, including an exquisite chaparral ecosystem and nearly 400 species of bees, the highest known bee diversity of anyplace on earth.

Situated near the San Andreas Rift Zone with the central coast to the west and Gabilan Mountain Range to the east, Pinnacles National Monument now occupies over 26,000 acres 14,000 acres of which are congressionally designated wilderness. With surrounding lands tended by farmers whose ancestors homesteaded the region, and cows and horses grazing on the expansive plains, Pinnacles National Monument offers a sublime glimpse into California’s past.
Pinnacles is home to 20 endemic species holding special Federal or State status, and is also the ancestral home range of the California condor. Pinnacles is the only National Park site that releases and maintains this extremely endangered bird species and is critical for the overall condor recovery effort. Pinnacles is also located within the Pacific Flyway migratory route and contains the highest concentration of nesting prairie falcons of any national park in the country.

Only 100 miles from the urban centers of San Francisco and San Jose, Pinnacles National Monument remains a haven of solitude for nature enthusiasts and offers a stunning reflection of California’s rural history and heritage. For 100 years, Pinnacles National Monument has served as a recreational escape for hikers, outdoor enthusiasts, and those seeking a glimpse of California’s rich history. It is a powerful reminder of the beauty of nature and the importance of our conservation efforts.

I commend the National Park Service staff and volunteers for maintaining the natural beauty and historical significance of Pinnacles National Monument. I look forward to future generations of the University of California, and those seeking a glimpse of California’s rich history, and those seeking a glimpse of California’s rich history.

LEADERSHIP AT KANSAS STATE UNIVERSITY

Mr. BROWNBACK. Mr. President, I wish today to applaud my alma mater, Kansas State University, and three of its students. Recently, three Kansas State University students and a student from the University of Delaware teamed up to win first place in a student case study competition at the ninth annual International Leadership Association conference in Vancouver, British Columbia.

Members of the winning team from Kansas State were Chance Lee, senior in sociology and political science with a minor in leadership studies, Manhattan, KS; Lauren Luhrs, senior in human ecology and mass communications—public relations with minors in leadership studies and business, Overland Park, KS; and Anthony Carter, senior in sociology with a minor in nonprofit leadership, Colorado Springs, CO.

The Leadership Studies Minor at Kansas State University has been a tremendous success. The mission of the Leadership Studies at Kansas State University is to develop knowledgeable, ethical, caring, inclusive leaders for a diverse and changing world. Mr. President, this program is doing just that. I am proud of this program, my alma mater, and the three students who represented Kansas State University.

In the competition participating teams were given a 23-page document from the Harvard Business School which detailed specifics for leadership development at Goldman Sachs. The document provided key details for the case study, including the purpose of the leadership development program to be created. It also gave six factors that were essential in the design of the program: form and location, faculty, content and format, method, target audience, and governance and sponsorship.

I again congratulate these three students for their success.

TRIBUTE TO CHARLES M. EVERS

Mr. CRAPO. Mr. President, I am honored to publicly recognize an Idahoan who has received one of our Nation’s highest military honors, the Silver Star Medal. United States Marine Corps SSG Charles M. Evers, of Lewiston, ID, was awarded this medal for “conspicuous gallantry and intrepidity in action against the enemy while serving as Platoon Commander, 3d Platoon, India Company, 3d Battalion, 5th Marines, Regimental Combat Team, 1 Marine Expeditionary Force Forward in Support of Operation Iraqi Freedom from 8 June to 12 June 2006.” Over the course of a 4-day firefight, Sergeant Evers led his platoon in repelling a platoon-sized enemy attack that, on the third day, included a massive truck bomb that burst through the entry control point at an observation post the Marines were defending. During this fight, approximately 60 well-trained and armed insurgents attempted, but were unable to take the observation post held by Evers’ 22 marines, a fight in which no Americans perished. Citing repeated decisive combat leadership under intense and sustained machine gun and small arms fire, General James T. Conway, Commandant of the Marine Corps, recognized Sergeant Evers’ “resolve” and “refusal to submit to the enemy’s will” in the Silver Star Medal Citation.

As you know, the Silver Star is the Nation’s third highest combat medal behind the Medal of Honor and the Navy Cross, Distinguished Service Cross or Air Force Cross. Sergeant Evers’ extraordinary achievement recognizes his unflinching commitment to our Nation, his fellow soldiers and the mission for which he was trained. Sergeant Evers’ courage and skill rivals his humility: when given the Silver Star, he said, “I was just doing my job. I’m proud of my Marines. I led them and they did their job.”

I am honored and proud to call Senator Evers a fellow Idahoan, and I thank him for his bravery, patriotism and commitment to and support of the military mission of the United States of America. Most of all, I thank him and his fellow Marines for continuing to defend my freedom and that of my family.

HONORING OLIN SIMS

Mr. ENZI. Mr. President, Wyoming lost a beloved member of its agricultural community this weekend to a tragic accident. Olin Sims, a fourth generation rancher from McFadden, WY, and president of the National Association of Conservation Districts served his community with a great passion for conservation, agriculture, and family values. Olin provided this body with sound advice and testimony on a number of occasions regarding the natural resource needs of our Nation. Although his life ended early, his contributions to our State and Nation will never end. The good he has done will last generations. He did what all of us should strive to do—leave this world a better place. Diana and I offer our thoughts and prayers to the family, friends, and colleagues of Olin Sims.

CONGRATULATING THE UNIVERSITY OF CENTRAL ARKANSAS

Mr. PRYOR. Mr. President, it is with the greatest pleasure that I rise today to congratulate the University of Central Arkansas on its 100th anniversary. The university is located in Conway, AR, which lies in the central part of my State.

The University of Central Arkansas began as the Arkansas State Normal School under the leadership of John James Doyne in 1907. In 1909, the first commencement ceremony was held to recognize 10 graduates. The school conferred its first baccalaureate degree in 1922 and was renamed Arkansas State Teachers College in 1925.

The school was renamed State College of Arkansas in 1967, but was granted university status and renamed as the University of Central Arkansas in 1975. Since then, UCA has continued to excel by establishing the State’s first Honors College, joining the National Collegiate Athletic Association, NCAA, and beginning its first doctoral program in 1998. Currently, the University of Central Arkansas offers an undergraduate degree in 100 undergraduate courses of study, 33 master’s degree programs, and 3 doctoral programs.

Arkansas has always made education a top priority and the University of Central Arkansas has a proud history of scholastic progress. The university is an integral part of the Arkansas community and the educational opportunities available provide graduates with the skills needed to succeed in today’s workforce.

Mr. President, I ask my colleagues to join me today in congratulating the University of Central Arkansas on its 100th anniversary and in wishing the university another 100 years of success.

MAINE MUTUAL GROUP INSURANCE COMPANY

Ms. SNOWE. Mr. President, today I recognize Maine Mutual Group Insurance Company, MMG, a premier regional property and casualty insurance company that continues to grow and flourish. I am particularly pleased that
MMG recently completed a major expansion of its headquarters this October.

Like many American success stories, MMG has humble roots. The company was founded in Aroostook County in 1906. By 1906, it had $1 million in growth, placing it second in New York and New Hampshire. The company grew exponentially following the merger of the New Markets Tax Credit in 1991, the firm gained the Governor's Award for Business Excellence. More recently, MMG won the Maine Insurance Company of the Year Award in 2000 and 2005, the New Hampshire Insurance Company of the Year Award in 2004. With all insurance companies operating within those States being eligible for the awards, it is particularly impressive that MMG bested larger national competitors several times over the last decade.

In 2007, MMG was rated the top performer on Deep Customer Connections Inc.'s Eaze of Doing Business survey. In addition, the New Markets Tax Credit program in 4 years to earn the “T” designation from the Association of Small Business Development Centers. This national accreditation authorizes the Maine SBDC to formally provide technology support to Maine’s small businesses and independent workers.

During the time that John was developing a program with a national reputation for regional excellence at the Maine SBDC, he also helped SBDCs on the national level through the Association of Small Business Development Centers, ASBDC. The ASBDC is an association which represents the collective interests of SBDCs throughout the country, and on numerous occasions John was selected to serve on their board and within its various committees.

Not only was John beneficial to Maine’s small business communities, but he was a vital resource to my staff. I specifically remember one instance, when in 2005, John testified before the Senate Committee on Small Business and Entrepreneurship about the financial burden the 63 State, regional, and territorial SBDCs were under. As expected, John provided a well researched and persuasive argument to why Congress should provide additional funds to this vital and successful program. Due in large part to John’s testimony and dedicated activism, we are finally starting to see a commitment from Congress to provide more funds to the SBDC program. For this, John should always be remembered and duly credited.

The State of Maine and small businesses across the country owe a debt of gratitude to John Massaua for his work to protect and improve something as crucial as the Small Business Development Center program. Although he will be missed, I applaud John’s years of commitment and hard work in providing entrepreneurs with the management and professional expertise required to achieve success. I sincerely hope that John and I can continue to place the Maine SBDC on the forefront of this important work.

Tribute to John Massaua

Ms. SNOwE, Mr. President, today I recognize a man who has given so much. John Massaua is his tutelage, and I will always be thankful that he belonged to the State of Maine can be proud.

John’s personal accomplishments and awards that the Maine SBDC received over the past 6 years are far too numerous to count—for example, during John’s tenure he personally received the Thomas A. McGillicuddy Award for Excellence, the Maine SBDC was a recipient of the prestigious Margaret Chase Smith Quality Award, the Best of the Web Award, and in 2005 the Maine SBDC became only the fourth program in 4 years to earn the “T” designation from the Association of Small Business Development Centers, ASBDC.

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Tribute to John Massaua

John Massaua is hands-down one of those individuals who has been the best and most committed and creative small businesses.

Tribute to John Massaua

John Massaua is a man who always gave back to his community.

John Massaua is a great American success story.

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RECOGNIZING JIM SHEEHAN

Mr. THUNE. Mr. President, today I recognize Jim Sheehan, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several months.

Jim is a graduate of Stanley County High School in Fort Pierre, SD. Currently he is attending Lake Forest College, where he is majoring in history and political science. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Jim for all of the fine work he has done and wish him continued success in the years to come.

RECOGNIZING TYLER CUSTIS

Mr. THUNE. Mr. President, today I recognize Tyler Custis, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several months.

Tyler is a graduate of Custer High School in Custer, SD. He is a recent graduate of Texas A&M University where he majored in economics. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Tyler for all of the fine work he has done and wish him continued success in the years to come.

RECOGNIZING LUKE LOVING

Mr. THUNE. Mr. President, today I recognize Luke Loving, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several months.

Luke is a graduate of O’Gorman High School in Sioux Falls, SD. Currently he is attending the University of South Dakota, where he is majoring in psychology. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Luke for all of the fine work he has done and wish him continued success in the years to come.

RECOGNIZING CHRISTY VAN BEER

Mr. THUNE. Mr. President, today I recognize Christy Van Beek, an intern in my Sioux Falls, SD, office, for all of the hard work she has done for me, my staff, and the State of South Dakota over the past several months.

Christy is a graduate of Netherlands Reformed Christian School in Rock Valley, IA. Currently she is attending the University of Sioux Falls, where she is majoring in political science. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Christy for all of the fine work she has done and wish her continued success in the years to come.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of its secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

The nominations received today are printed at the end of the Senate proceedings.

MESSAGES FROM THE HOUSE

At 2:24 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:


H.R. 1413. An act to direct the Assistant Secretary of Homeland Security (Transportation Security Administration) to address vulnerabilities in aviation security by carrying out a pilot program to screen airport workers with access to secure and sterile areas of airports, and for other purposes.

H.R. 2601. An act to extend the authority of the Federal Trade Commission to collect fees to administer and enforce the provisions relating to the “Do-not-call” registry of the Telemarketing Sales Rule.

H.R. 3079. An act to amend the joint resolution that approved the covenant establishing the Commonwealth of the Northern Mariana Islands, and for other purposes.


H.R. 3739. An act to amend the Arizona Water Settlements Act to modify the requirements for the statement of findings.

H.R. 3890. An act to amend the Burmese Freedom and Democracy Act of 2003 to impose sanctions against 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.

H.R. 3986. An act to amend the John F. Kennedy Center Act to authorize appropriations for the John F. Kennedy Center for the Performing Arts, and for other purposes.

H.R. 4009. An act to designate the facility of the United States Postal Service located at 567 West Nepessing Street in Lapeer, Michigan, as the “Turrill Post Office Building.”

H.R. 4108. An act to amend section 3328 of title 5, United States Code, relating to Selective Service registration.

H.R. 4343. An act to amend title 49, United States Code, to modify age standards for pilots engaged in commercial aviation operations.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:


H. Con. Res. 261. Concurrent resolution commemorating the centennial anniversary of the sailing of the Navy’s “Great White Fleet,” launched by President Franklin D. Roosevelt on December 16, 1907, from Hampton Roads, Virginia, and returning there on February 22, 1909.

H. Con. Res. 264. Concurrent resolution honoring the University of Hawaii for its 100 years of commitment to public higher education.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 797) to amend title 38, United States Code, to improve compensation benefits for veterans in certain cases of impairment of vision involving both eyes, to provide for the use of the National Directory of New hires for income verification purposes, to extend the authority of the Secretary of Veterans Affairs to provide an educational assistance allowance for qualifying work study activities, and to authorize the provision of bronze representations of the letter “V” for the graves of eligible individuals buried in private cemeteries in lieu of government-provided headstones or markers, with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 397) to extend the special postage stamp for breast cancer research for 4 years, with amendments, in which it requests the concurrence of the Senate.

At 4:18 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 269. Concurrent resolution directing the Clerk of the House of Representatives to correct the enrollment of the bill H.R. 1585.

At 5:22 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4299. An act to extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1585) to authorize appropriations for the fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy,
to prescribe military personnel strengths for such fiscal year, and for other purposes.

At 7:29 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4331. An act to amend the Internal Revenue Code of 1986 to provide individuals temporary relief from the alternative minimum tax, and for other purposes.

ENROLLED BILLS SIGNED
At 9:10 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following bills:

H.R. 365. An act to provide for a research program for remediation of closed methamphetamine production laboratories, and for other purposes.

H.R. 2629. An act to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through May 23, 2008, and for other purposes.

MEASURES REFERRED
The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 123. An act to authorize appropriations for the San Gabriel Basin Restoration Fund; to the Committee on Environment and Public Works.

H.R. 1413. To direct the Assistant Secretary of Homeland Security (Transportation Security Administration) to address vulnerabilities in aviation security by carrying out a pilot program to screen airport workers with access to secure and sterile areas of airports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2801. An act to extend the authority of the Federal Maritime Commission to collect fees to administer and enforce the provisions relating to the “Do-not-call” registry of the Telemarketing Sales Rule; to the Committee on Commerce, Science, and Transportation.

H.R. 3079. An act to amend the joint resolution that approved the covenant establishing the Commonwealth of the Northern Mariana Islands, and for other purposes; to the Committee on Energy and Natural Resources.


H.R. 3739. An act to amend the Arizona Water Settlements Act to modify the requirements for the statement of findings; to the Committee on Indian Affairs.

H.R. 3890. To amend the Burmese Freedom and Democracy Act of 2003 to impose import sanctions on Burmese gemstones, expand the number of persons against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes; to the Committee on Foreign Relations.

H.R. 3986. An act to amend the John F. Kennedy Center Act to authorize appropriations for the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

H.R. 4009. An act to designate the facility of the United States Postal Service located at 567 West Nepessing Street in Lapeer, Michigan, as the “Turrill Post Office Building”; to the Committee on Homeland Security and Governmental Affairs.

H.R. 4108. An act to amend section 3128 of title 5, United States Code, relating to Selective Service; to the Committee on Homeland Security and Governmental Affairs.

The following concurrent resolutions were read, and referred as indicated:


H. Con. Res. 261. Concurrent resolution commemorating the centennial anniversary of the sailing of the Navy’s “Great White Fleet,” launched by President Theodore Roosevelt on December 16, 1907, from Hampton Roads, Virginia, and returning there on February 22, 1907; to the Committee on Armed Services.

H. Con. Res. 264. Concurrent resolution honoring the University of Hawaii for its 100 years of commitment to public higher education; to the Committee on the Judiciary.

MEASURES READ THE FIRST TIME
The following bill was read the first time:

S. 2461. A bill to authorize the transfer of certain earmarked funds to accounts for operations and activities in Iraq and Afghanistan.

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

EC-4330. A communication from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting, pursuant to law, a report on a rule entitled “Fair Credit Reporting Affiliates Marketing Regulations” (RIN 3064–AC83) received on December 7, 2007, to the Committee on Banking, Housing, and Urban Affairs.

EC-4331. A communication from the Chief of Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations (including 9 regulations beginning with CGD08–67–040)” received on December 10, 2007, to the Committee on Commerce, Science, and Transportation.

EC-4332. A communication from the Chief of Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Operation Regulations; 9 regulations beginning with CGD11–67–044)” (RIN1625–AB09) received on December 10, 2007, to the Committee on Commerce, Science, and Transportation.

EC-4333. A communication from the Chief of Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Operation Regulations (including 5 regulations beginning with CGD08–67–067)” (RIN1625–AB09) received on December 10, 2007, to the Committee on Commerce, Science, and Transportation.

EC-4334. A communication from the Administrator, Saint Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the Department’s annual report and financial statement, and management report for fiscal year 2007; to the Committee on Environment and Public Works.

EC-4335. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, a report relative to the National Source Term Committee Act of 1996; to the Committee on Environment and Public Works.

EC-4336. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Tetramethylnorpropylmethylamine; Illinois; Source-Specific Revision for Cromwell-Phoenix, Incorporated” (FRL No. 8340–7) received on December 10, 2007; to the Committee on Environment and Public Works.

EC-4337. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Improving our Nation’s Water Quality—Protecting Our Water,” (FRL No. 8504–9) received on December 10, 2007; to the Committee on Environment and Public Works.

EC-4338. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Supporting the designation of a week as ‘Rhode Island: Final Authorization of State Hazardous Waste Management Program Revisions’” (FRL No. 8504–4) received on December 10, 2007; to the Committee on Environment and Public Works.

EC-4339. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Hazardous Wastes; final rule” (FRL No. 8504–8) received on December 10, 2007; to the Committee on Environment and Public Works.

EC-4340. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Authorizing a rule” (FRL No. 8504–9) received on December 10, 2007; to the Committee on Environment and Public Works.

EC-4341. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, the Agency’s Performance and Accountability Report for fiscal year 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4342. A communication from the General Counsel, Government and Accountability Office, transmitting, pursuant to law, a report relative to the number of federal agencies that did not fully implement a recommendation made by the Office in response to a bid protest during fiscal year 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4343. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on the elements of the District of Columbia’s Fiscal Year 2008 Budget Clarification Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4344. A communication from the Chairman, Council of the District of Columbia,
transmitting, pursuant to law, a report on D.C. Act 17-185, “Washington Convention Center Authority Advisory Committee Continuity Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4396. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Closing Agreement Temporarily Amended on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4397. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Real Property Tax Benefits Revision Temporary Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4398. A communication from the Chief Executive Officer, Millennium Challenge Corporation, transmitting, pursuant to law, the Semiannual Report of the Corporation’s Inspector General for the six-month period from April 1, 2007, to September 30, 2007; to the Committee on Homeland Security and Governmental Affairs.


EC-4400. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “East of the River Hospital Revitalization Agreement” temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4401. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Appoint The Chief Medical Examiner Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4402. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “East of the River Hospital Revitalization Agreement” temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4403. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “The Emergency Medical Services Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4404. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Uniform Prudent Management Programs Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.


EC-4406. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Uniform Prudent Management Programs Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC-4407. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17-185, “Uniform Prudent Management Programs Temporary Amendment Act of 2007” received on December 10, 2007; to the Committee on Homeland Security and Governmental Affairs.
Pequot (Western) Tribe; to the Committee on Indian Affairs.

By Ms. LANDRIEU:

S. 2458. A bill to promote and enhance the operation of Federal trade code enforcement administration across the country by establishing a competitive Federal matching grant program; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MENENDEZ:

S. 2459. A bill to authorize appropriations for research and enforcement activities of the Federal Trade Commission related to misleading mortgage advertisements; to the Committee on Commerce, Science, and Transportation.

By Mr. RINGAMAN (for himself, Mrs. DOLE, Mr. DURBIN, Mrs. FEINSTEIN, Ms. STABENOW, Mr. SALAZAR, Mr. KERRY, Mr. BROWN, Mrs. McCaskill, Mr. SCHUMER, Mrs. BOXER, Mr. LEVINS, Mr. BAYH, Mr. BURR, Mr. MARTINEZ, Mrs. CLINTON, Mr. PRYOR, Mr. LEAHY, Mrs. LINCUM, Mrs. HUTCHISON, Mr. CHAMBLISS, Mr. ROCKEFELLER, Mr. ISAKSON, and Mr. BOND):

S. 2460. A bill to extend by one year the moratorium on implementation of a rule relating to Federal-State financial partnership under Medicaid and the State Children's Health Insurance Program and on finalization of a rule regarding graduate medical education under Medicaid and to include a moratorium on the finalization of the outpatient Medicaid rule making similar changes; to the Committee on Finance.

By Mr. DE MINT:

S. 2461. A bill to authorize the transfer of certain earmarked funds to accounts for operations and activities in Iraq and Afghanistan; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRASSLEY (for himself, Mr. BURKHARDT, Mr. CORNYN, Mr. DE MINT, Mr. HATCH, Mr. ROBERTS, Mr. SUNUNU, Mrs. DOLE, Mr. ALLARD, Mr. BUNNING, Ms. SNOWE, Mr. DOMENICI, Mr. MARTZEN, Mr. ENZIGN, Mr. COLEMAN, Mr. VITTER, Mr. HAGEL, Mr. SHELBURY, Mr. THUNE, Mr. BENNETT, Mr. CRAPO, Mr. CRAUN, Mr. KYL, Mr. SESSIONS, and Mr. SMITH):

S. Res. 402. A resolution recognizing the life and contributions of Henry John Hyde; to the Committee on the Judiciary.

S. Res. 403. A resolution congratulating Boys Town on its 90th anniversary celebration; considered and agreed to.

ADDITIONAL COSPONSORS

S. 805

At the request of Mr. DURBIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 805, a bill to amend the Foreign Assistance Act of 1961 to assist countries in sub-Saharan Africa in the effort to achieve internationally recognized goals in the treatment and prevention of HIV/AIDS and other major diseases and the reduction of maternal and child mortality by improving human immunodeficiency virus care, capacity and improving retention of medical health professionals in sub-Saharan Africa, and for other purposes.

S. 938

At the request of Mrs. MURRAY, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 938, a bill to establish an adolescent literacy program.

S. 988

At the request of Ms. MIKULSKI, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 988, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 1003

At the request of Ms. STABENOW, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1003, a bill to amend title XVIII of the Social Security Act to improve access to emergency medical services and the quality and efficiency of care furnished in emergency departments of hospitals and critical access hospitals by establishing a bipartisan commission to examine factors that affect the effective delivery of such services, by providing for additional payments for certain physician services furnished in such emergency departments, and by establishing a Centers for Medicare & Medicaid Services Working Group, and for other purposes.

S. 1232

At the request of Mr. SCHUMER, his name was added as a cosponsor of S. 1232, a bill to direct the Secretary of Health and Human Services, in consultation with the Secretary of Education, to develop a voluntary policy for managing the risk of food allergy and anaphylaxis for schools, to establish school-based food allergy management grants, and for other purposes.

S. 1464

At the request of Mr. FEINGOLD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1464, a bill to establish a Global Service Fellowship Program, and for other purposes.

S. 1500

At the request of Mr. LAUTENBERG, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 1500, a bill to amend the Federal Water Pollution Control Act to modify provisions relating to beach monitoring, and for other purposes.

S. 1514

At the request of Mr. DODD, the name of the Senator from Virginia (Mr. WEBB) was added as a cosponsor of S. 1514, a bill to revise and extend provisions under the Garrett Lee Smith Memorial Act.

S. 1664

At the request of Mr. FEINGOLD, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1664, a bill to require the Secretary of the Treasury to mint coins in commemoration of Robert M. La Follette, Sr., in recognition of his important contributions to the Progressive movement, the State of Wisconsin, and the United States.

S. 1841

At the request of Ms. COLLINS, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 1841, a bill to provide a site for the National Women's History Museum in Washington, District of Columbia, and for other purposes.

S. 1913

At the request of Mr. BUNNING, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1913, a bill to authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of extending the Lewis and Clark National Historic Trail to include additional sites associated with the preparation and return phases of the expedition, and for other purposes.

S. 1995

At the request of Mr. SALAZAR, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1995, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on beer to its pre-1991 level.

S. 2056

At the request of Mr. ROCKEFELLER, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 2056, a bill to amend title XVIII of the Social Security Act to restore financial stability to Medicare anesthesiology teaching programs for resident physicians.

S. 2064

At the request of Mr. DURBIN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2064, a bill to fund comprehensive programs to ensure an adequate supply of nurses.

S. 2080

At the request of Mr. LAUTENBERG, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 2080, a bill to amend the Federal Water Pollution Control Act to ensure that sewage treatment plants monitor for and report discharges of raw sewage, and for other purposes.

S. 2122

At the request of Mr. INOUYE, the name of the Senator from Delaware
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(Mr. BIDEN) was added as a cosponsor of S. 2112, a bill to amend the Public Health Service Act to establish the Nurse-Managed Health Clinic Investment program, and for other purposes.

S. 2110

At the request of Mr. DORGAN, the names of the Senator from Michigan (Ms. STabenow), the Senator from Illinois (Mr. DURBIN), the Senator from West Virginia (Mr. BYRD) were added as cosponsors of S. 2140, a bill to award a Congressional Gold Medal to Dr. Francis Collins, in recognition of his outstanding contributions and leadership in the fields of medicine and genetics.

S. 2157

At the request of Mrs. LINCOLN, her name was added as a cosponsor of S. 2257, a bill to impose sanctions on officials of the State Peace and Development Council in Burma, to amend the Burmese Freedom and Democracy Act of 2003 to prohibit the importation of gemstones and hardwoods from Burma, to promote a coordinated international effort, the establishment of a civilian democratic rule to Burma, and for other purposes.

S. 2277

At the request of Mr. SMITH, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 2277, a bill to amend the Internal Revenue Code of 2003 to increase the limitation on the issuance of qualified veterans’ mortgage bonds for Alaska, Oregon, and Wisconsin and to modify the definition of qualified veteran.

S. 2341

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 2341, a bill to provide Individual Development Accounts to support foster youths who are transitioning from the foster care system.

S. 2400

At the request of Mr. SESSIONS, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 2400, a bill to amend title 37, United States Code, to require the Secretary of Defense to continue to pay to a member of the Armed Forces who is retired or separated from the Armed Forces due to a combat-related injury certain bonuses that the member was entitled to before the retirement or separation and would continue to be entitled to if the member was not retired or separated, and for other purposes.

S. 2459

At the request of Mr. KERRY, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 2458, a bill to amend title XVIII of the Social Security Act to require physician utilization of the Medicare electronic prescription drug program.

S. CON. RES. 53

At the request of Mr. NELSON of Florida, the names of the Senator from Montana (Mr. BAUCCUS) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. Con. Res. 53, a concurrent resolution condemning the kidnapping and hostage-taking of 3 United States citizens for over 4 years by the Revolutionary Armed Forces of Colombia (FARC), and demanding their immediate and unconditional release.

S. RES. 388

At the request of Mr. CRAPO, the names of the Senator from Rhode Island (Mr. WHITEHOUSE) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. Res. 388, a resolution recognizing the week of February 4 through February 8, 2008, as “National Teen Dating Violence Awareness and Prevention Week”.

S. RES. 401

At the request of Mr. LIEBERMAN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Res. 401, a resolution to provide Internet access to certain Congressional Research Service publications.

AMENDMENT NO. 3614

At the request of Mr. DOMENICI, the names of the Senator from Nebraska (Mr. NELSON), the Senator from South Dakota (Mr. JOHNSON), the Senator from Iowa (Mr. GRASSLEY) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of amendment No. 3614 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3639

At the request of Mr. HARKIN, the names of the Senator from New York (Mr. SCHUMER) and the Senator from Pennsylvania (Mr. CASEY) were added as cosponsors of amendment No. 3639 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3673

At the request of Mr. GREGG, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Colorado (Mr. ALLARD), the Senator from Texas (Mr. CORNYN), the Senator from Tennessee (Mr. COHKK), the Senator from North Carolina (Mrs. DOLCE), the Senator from Texas (Mrs. HUTCHSON) and the Senator from Ohio (Mr. VOIVICCI) were added as cosponsors of amendment No. 3673 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3674

At the request of Mr. GREGG, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of amendment No. 3674 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3826

At the request of Mr. SANDERS, the names of the Senator from Minnesota (Mr. COLEMAN), the Senator from Minnesota (Ms. Klobuchar) and the Senator from North Carolina (Mrs. DOLE) were added as cosponsors of amendment No. 3826 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3830

At the request of Mr. HARKIN, the names of the Senator from Maine (Ms. COLLINS) and the Senator from New Hampshire (Mr. Sununu) were added as cosponsors of amendment No. 3830 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

STATMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID (for Mr. DODD (for himself, Mr. REED, Mr. SCHUMER, Mr. MENENDEZ, Mr. AKAKA, Mr. BROWN, Mr. CASEY, Mr. KENNEDY, Mr. KERRY, Mr. HARKIN, Ms. MIKULSKI, Mrs. BOXER, Mrs. McCaskill, Mrs. KLOBuchar, Mrs. FEINSTEIN, and Mr. DURBIN)).

S. 2452. A bill to amend the Truth in Lending Act to provide protection to consumers with respect to certain high-cost loans, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, today we are facing a crisis in the mortgage markets on a scale that has not been seen since the Great Depression: over 2 million homeowners face foreclosure at a loss of over $180 billion in hard-earned home equity; the Conference of Mayors recently reported, November 26, 2007, that they expect a decline of $1.2 trillion in property values in 2008 because of the crisis; over one out of every 5 subprime loans is currently delinquent according to First American Loan Performance, an industry re- search firm. These high default rates have frozen the subprime and jumbo mortgage markets and infected the capital markets to the point where central banks around the world have had to inject liquidity into the system to avoid the crisis from spreading to other segments of the market.

One of the fundamental causes of this serious crisis is abusive and predatory subprime mortgage lending. The Homeownership Preservation and Protection Act of 2007, which I am introducing today with a number of my colleagues, is designed to protect American homeowners from these practices, and prevent this disaster from happening again. The legislation will: realign the interests of the mortgage industry with borrowers to insure the availability of mortgage capital on fair terms both for the creation and sustainability of homeownership; establish new lending standards to ensure that loans are affordable and fair, and provide for adequate remedies to make sure the standards are met; and create
a transparent set of rules for the mortgage industry so that capital can safely return to the market without bad lending practices driving out the good.

The fundamental problem in the subprime market today is that the mortgage market has become extremely fragmented, with different entities responsible for selling, underwriting, originating, funding, and securitizing the loans. Too few of these entities have a stake in the long-term success of the mortgage. A recent article in The Economist, February 17, 2007, described the process succinctly:

"Banks are traditionally supposed to know a bit about the borrowers on their books. But, in many cases, their loans did not stay on their books long enough for them to care. Mortgages were written for a fee, sold to investors for a fee, then packaged and floated into another fee. At each link in the chain, the fees mattered more than the quality of the loans. . . ."

As the GAO concluded, “Originators [mortgage brokers and lenders] had financial incentives to increase loan volume, at the expense of loan quality.” October 10, 2007. For example, mortgage originators have an incentive to get a borrower to take out a larger loan than he or she needs, and at a higher interest rate than that for which the borrower would qualify, because the originator gets a higher commission for such loans.

Comptroller of the Currency John Dugan recently described the corrosive impact of this system on underwriting standards in a speech to the American Bankers Association October 9, 2007, Mr. Dugan said:

"When a bank makes a loan that it plans to hold, the fundamental standard it uses to underwrite the loan is that most basic of credit standards that . . . the underwriting must be strong enough to create a reasonable expectation that the loan will be repaid. But when a bank makes a loan that it plans to sell, then the credit evaluation shifts in an important way: the underwriting must be strong enough to create a reasonable expectation that the loan can be sold or put another way, the bank will underwrite to whatever standard the market will bear.

The vast majority of subprime loans were made to be sold, and, hence, their underwriting standards simply were not sufficient to ensure a reasonable prospect of repayment for too many Americans.

While the focus of much of the news coverage has been on the impact of the crisis on institutions and markets, I ask my colleagues to keep in mind the affect this is having on individuals who are losing their homes, and on their neighbors, who are seeing their home equity erode as foreclosures in their neighborhoods increase.

It is important to keep in mind that only about 10 percent of subprime mortgages in the past several years have been made to first time home buyers. This market has not been primarily about creating a new set of homeowners; a majority of subprime loans have been refinances. While maintaining access to subprime credit on fair terms is important, too much of the subprime market in the past several years has actually put the homes and home equity of American families at risk.

The legislation seeks to set high standards for brokers, lenders, appraisers, servicers, and Wall Street and provide for strong remedies to restore accountability to the system. Specifically, the legislation will establish new protections for all borrowers including a prohibition on steering prime borrowers to subprime loans, which the Wall Street Journal recently found was widespread in the market. The bill establishes a fiduciary duty for mortgage brokers towards borrowers. It provides for a duty of good faith and fair dealing toward borrowers for all lenders.

The bill will establish new protections for subprime borrowers and borrowers who get exotic mortgages. First and foremost, brokers and lenders will have to verify that the mortgage is something the borrower would qualify for. When the credit evaluation shifts in an important way, the fees mattered more than the quality, the "junk" fees mortgage servicers can charge, and require them to credit payments promptly, require foreclosure prevention counseling or loss mitigation before a foreclosure can take place, and authorize the hiring of additional FBI agents to fight mortgage fraud.

In the coming months, the housing crisis is going to get worse. We will need to continue to press lenders and servicers to provide real relief for homeowners with foreclosures. FHA, the GSEs will have to play an expanded role. But as we deal with the cleaning up the current crisis, let us keep in mind the need to address the underlying problems that have created the crisis, and move to address those underlying causes by passing the “Homeownership Protection and Preservation Act.”

Finally, I want to acknowledge the work of a number of my colleagues on this issue. Senators SCHUMER, BROWN, and CASEY introduced a bill on this topic earlier this year, S. 1299, from which I took some important provisions. In addition, Senators REID and MENENDEZ both made important contributions to the deliberations leading up to the introduction of this legislation.

Mr. President, I ask unanimous consent that the text of the bill and a detailed summary be printed in the RECORD.

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

S. 2452

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 “Home Ownership Preservation and Protection 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. Definitions.
Sec. 3. Effective date and regulations.

TITLE I—HIGH-COST MORTGAGES

Sec. 1. Definitions relating to high-cost mortgages.
Sec. 2. Additional protections for HOEPA loans.

TITLE II—PROTECTIONS APPLICABLE TO SUBPRIME AND CERTAIN OTHER LOANS

Sec. 1. Duties of appraisers.
Sec. 2. Definitions.
Sec. 3. Effective date and regulations.

TITLE III—PROTECTIONS FOR ALL HOME LOAN BORROWERS

Sec. 1. Duties of lenders and loan servicers.
Sec. 2. Real estate settlement procedures.
Sec. 3. Effective date.

TITLE IV—FORECLOSURE PREVENTION COUNSELING

Sec. 1. Foreclosure prevention counseling.

TITLE VII—REMEDIES AND ENFORCEMENT

Sec. 1. Material disclosures and violations.
Sec. 2. Right of rescission.
Sec. 3. Civil liability.
Sec. 4. Liability for monetary damages.
Sec. 5. Remedy in lieu of rescission for certain violations.
Sec. 6. Prohibition on mandatory arbitration.
Sec. 7._penalty.

TITLE VIII—OTHER BANKING AGENCY AUTHORITY

Sec. 1. Inclusion of all banking agencies in the regulatory authority under the Federal Trade Commission Act with respect to depository institutions.

TITLE IX—MISCELLANEOUS

Sec. 1. Authorizations.

Sec. 2. Definitions.

Section 163 of the Truth in Lending Act (15 U.S.C. 1602) is amended by adding at the end the following:\n
"(cc) Definitions relating to Home Mortgage Loans.—
‘(1) HOME MORTGAGE LOAN.—The term ‘home mortgage loan’ means a consumer credit transaction secured by a home, used or intended to be used as a principal dwelling, notwithstanding whether it is real or personal property, or whether the loan is used to purchase the home.

‘(2) MORTGAGE BROKER.—The term ‘mortgage broker’ means a person who, for compensation or in anticipation of compensation, arranges or negotiates or attempts to arrange or negotiate home mortgage loans or commitments for such loans, refers applicants or prospective applicants to creditors, or selects or offers to select creditors to whom requests for credit may be made.

‘(3) MORTGAGE ORIGINATOR.—The term ‘mortgage originator’ means any creditor or other person, including a mortgage broker, who, for compensation or in anticipation of compensation, engages either directly or indirectly in the acceptance of applications for home mortgage loans, solicitation of home mortgage loans on behalf of consumers, negotiation of terms or conditions of home mortgage loans on behalf of consumers or lenders, or negotiation of sales of existing home mortgage loans to institutional or noninstitutional lenders. It also includes any employee or agent of such person.

‘(4) NONTRADITIONAL MORTGAGE LOAN.—The term ‘nontraditional mortgage loan’ means a home mortgage loan in which the annual percentage rate exceeds the greater of the thresholds determined under subparagraph (B) or (C), as applicable.

‘(5) SUBPRIME MORTGAGE LOAN.—

‘(A) IN GENERAL.—The term ‘subprime mortgage loan’ means a home mortgage loan in which the annual percentage rate exceeds the greater of the thresholds determined under subparagraph (B) or (C), as applicable.

‘(B) CONVENTIONAL MORTGAGE RATE SPREAD.—A home mortgage loan is a subprime mortgage loan if the difference between the annual percentage rate for the loan and the yield on United States Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the extension of credit is received by the consumer or the mortgage originator is either equal to or greater than—

‘(i) 3 percentage points, if the loan is secured by a first lien mortgage or deed of trust; or

‘(ii) 5 percentage points, if the loan is secured by a subordinate lien mortgage or deed of trust.

‘(C) CONVENTIONAL MORTGAGE RATE SPREAD.—A home mortgage loan is a subprime mortgage loan if the difference between the annual percentage rate for the loan and the annual yield on conventional mortgages, as published by the Board of Governors of the Federal Reserve System in statistical release H.15, (or any successor publications having comparable periods of maturity) is equal to or greater than—

‘(i) 1.75 percentage points, if the loan is secured by a first lien mortgage or deed of trust; or

‘(ii) 2.5 percentage points, if the loan is secured by a subordinate lien mortgage or deed of trust.

‘(D) RULE OF CONSTRUCTION.—For purposes of subparagraph (B), the difference between the annual percentage rate for a home mortgage loan and the yield on United States Treasury securities having comparable periods of maturity shall be determined using the secondary market calculations methods applicable to loans that are subject to the reporting requirements of the Federal Home Mortgage Disclosure Act, whether or not subject to or reportable under the provisions of that Act.”

SEC. 3. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—This Act and the amendments made by this Act shall become effective not later than 180 days after the date of enactment of this Act, and shall apply to all transactions consummated on or after that effective date, except as otherwise specifically provided herein.

(b) REGULATIONS REQUIRED.—Not later than 6 months after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall issue in final form such regulations as are necessary to carry out this Act and the amendments made by this Act.

TITLE I—HIGH-COST MORTGAGES

SECTION 101. DEFINITIONS RELATING TO HIGH-COST MORTGAGES.

(a) HIGH-COST MORTGAGE DEFINED.—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)) is amended by striking all that precedes paragraph (2) and inserting the following:

1. Definitions:—

(A) IN GENERAL.—The term ‘high-cost mortgage’, and a mortgage referred to in this subsection, mean a consumer credit transaction that is secured by the principal dwelling of a consumer, other than a reverse mortgage transaction, if—

‘(1) in the case of a loan secured—

‘‘(i) by a first mortgage on such dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 2 percentage points the annual yield on United States Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which a commitment for which the extension of credit is received by the consumer or the mortgage originator is either equal to or greater than—

‘(I) 2 percentage points, if the loan is secured by a first lien mortgage or deed of trust; or

‘(II) 3.5 percentage points, if the loan is secured by a subordinate lien mortgage or deed of trust;

‘(ii) by a subordinated or junior mortgage on such dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 10 percentage points the yield on United States Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the extension of credit is received by the consumer or the mortgage originator; or

‘(iii) in the case of any other loan in which the interest rate may vary at any time during the term of the loan, the interest rate in effect on the date of consummation of the transaction;

‘(ii) the total points and fees payable in connection with the loan exceed—

‘‘(I) in the case of a loan for $20,000 or more, 5 percent of the total loan amount; or

‘(II) in the case of a loan for less than $20,000, the lesser of 8 percent of the total loan amount and $1,000; or

‘(B) INTRODUCTORY RATES TAKEN INTO ACCOUNT.—For purposes of subparagraph (A)(i), the annual percentage rate shall be determined as follows:

‘(i) in the case of a fixed-rate loan in which the interest rate will not vary during the term of the loan, the interest rate in effect on the date of consummation of the transaction;

‘(ii) in the case of a loan in which the rate of interest varies solely in accordance with an index, the interest rate determined by adding the index rate in effect on the date of consummation of the transaction to the maximum margin permitted at any time by the terms of the loan agreement; and

‘(iii) in the case of any other loan in which the rate may vary at any time during the term of the loan for any reason, the interest rate charged on the loan for the greater of the annual percentage rate that may be charged during the term of the loan.

(b) ADJUSTMENT OF PERCENTAGE POINTS.—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)(2)) is amended by striking subparagraph (B) and inserting the following:

‘(B) An increase or decrease under subparagraph (A)—

‘‘(i) may not result in the number of percentage points referred to in paragraph (1)(A)(i)(II) being less than 8 percentage points or greater than 12 percentage points;

(c) POINTS AND FEES DEFINED.—

(1) IN GENERAL.—Section 103(aa)(4) of the Truth in Lending Act (15 U.S.C. 1602(aa)(4)) is amended by striking (A) and inserting the following:

‘‘(A) BONAFIDE DISCOUNT POINTS.

‘‘(B) BONAFIDE DISCOUNT POINTS—.
"(A) IN GENERAL.—For the purpose of determining the amount of points and fees under this subsection—

(1) not more than 2 bona fide discount points have been excluded under subparagraph (A), not more than 1 bona fide discount point payable by the consumer in connection with the mortgage, and which in fact result in a bona fide reduction of the interest rate from which the interest rate on the mortgage will be discounted does not exceed by more than 2 percentage points the required net yield for a 90-day standard mandatory delivery commitment for a reasonably comparable loan from either the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greater; and

(2) any points or fees as defined in section 103(a)(4).

"(B) DEFINITION.—For purposes of subparagraph (A), the term ‘bona fide discount points’ means amounts which are knowingly paid by the consumer for the purpose of reducing, and which in fact result in a bona fide reduction of, the interest rate or time-price differential applicable to the mortgage.

"(C) EXCEPTION FOR INTEREST RATE REDUCTIONS INCONSISTENT WITH INDUSTRY NORMS.—Subparagraph (A) shall not apply to discount points used to purchase an interest rate reduction, unless the amount of the interest rate reduction under subparagraph (A) is reasonably consistent with established industry norms and practices for secondary mortgage market transactions.

"SEC. 102. ADDITIONAL PROTECTIONS FOR HOEPA LOANS.

(a) NO PREPAYMENT PENALTIES.—Section 129(c) of the Truth in Lending Act (15 U.S.C. 1639(c)) is amended to read as follows:

(1) by striking paragraph (2); and

(2) in paragraph (1)—

(A) by striking ‘‘1 IN GENERAL.’’; and

(B) by striking subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and moving the margins 2 ems to the left.

(b) IN GENERAL.—Section 129(e) of the Truth in Lending Act (15 U.S.C. 1639(e)) is amended to read as follows:

(e) NO BALLOON PAYMENTS.—No high-cost mortgage loan may contain a scheduled payment that is more than twice as large as the average of any earlier required scheduled payments, except that this subsection shall not apply when the payment schedule is adjusted to the seasonal or irregular income of the consumer.

(c) OTHER PROHIBITIONS ON HIGH-COST MORTGAGE.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by adding at the end the following:

‘‘(m) NO YIELD SPREAD PREMIUMS.—No person may provide, and no mortgage originator may receive, directly or indirectly, any compensation for originating a home mortgage loan that is more costly than that for which the consumer qualifies, or that is based on, or varies with, the terms of any home mortgage loan.

‘‘(n) ACCELERATION OF DEBT.—No high-cost mortgage may contain a provision which permits the mortgagee, in its sole discretion, to accelerate the indebtedness, other than in any case in which repayment of the loan has been accelerated by default, pursuant to a due-out clause, or in a case involving the material provision of the loan documents unrelated to the payment schedule.

"(B) VARIABLE MORTGAGE RATES.—In the case of a subprime or nontraditional mortgage loan, with respect to which the applicability of subparagraph (A) is determined under subparagraph (b), the interest rate may vary, for purposes of paragraph (1), the interest to be paid shall be determined based on the monthly payment that could be due from the borrower, using as assumptions—

(1) the fully indexed interest rate;

(2) a repayment schedule which achieves full amortization over the life of the loan, assuming no default by the borrower;

(3) for products that permit negative amortization, the initial loan amount plus any additional increase that would result from the negative amortization provision;

(4) that the loan is to be repaid in substantially equal monthly amortizing payments for principal and interest over a term of period that which would be permitted after the consumer has made lower payments, as permitted under the terms of the loan, which includes any additions to the principal that will result from such permitted lower payments, with no balloon payment, unless the loan contract requires a more rapid repayment schedule to be used in the calculation; and

(5) the reasonably foreseeable capacity of the borrower to make payments, assuming market changes as to the contract index rate over the period of the loan, using, to make such assessment, a credible market rate determined according to regulations issued by the Board, which requires reasonable market expectations to be a factor.

"(3) REBUTTABLE PRESUMPTION.—

(A) IN GENERAL.—For purposes of this subsection there is a rebuttable presumption that a mortgage was made without regard to repayment ability if, at the time at which the loan was consummated, the total monthly debts of the borrower, including total monthly housing payments, taxes, property, and private mortgage insurance, any required homeowner insurance fees, and any subordinate mortgages, including those that will be made contemporaneously to the same borrower, exceed 45 percent of the monthly gross income of the borrower.

(B) REBUTTAL.—To rebut the presumption of inability to repay under subparagraph (A) the creditor shall, at minimum, determine and consider the residual income of the borrower after payment of current expenses and proposed home loan payments, except that no presumption of ability to make the scheduled payments to repay the obligation shall arise solely from the fact that, at the time at which the loan was consummated, the total monthly debts of the borrower (including the amounts owed under the loan) do not exceed 45 percent of the monthly gross income of the borrower.

"(m) NO YIELD SPREAD PREMIUMS.—No subprime or nontraditional mortgage loan may be arranged, approved, or made without requiring escrow of tax and insurance installments calculated in accordance with the requirements of section 10 of the Real Estate Settlement Procedures Act of 1974, and regulations promulgated pursuant thereto, and mortgage insurance premiums.

"(n) PROHIBITION ON PREPAYMENT PENALTIES.—No subprime or nontraditional mortgage loan may contain a provision that requires a consumer to pay a penalty for paying off a portion of the principal of the mortgage loan before the date on which it is due.

"(o) EXPONENTIAL SPREAD PREMIUMS.—No person may provide, and no mortgage originator may receive, directly or indirectly, any compensation for originating a subprime or nontraditional mortgage loan that is more costly than that for which the consumer qualifies, or that is based on, or varies with, the terms of any home mortgage loan.

"(p) NET TANGIBLE BENEFIT.—
TITLE III—PROTECTIONS FOR ALL HOME LOAN BORROWERS

SEC. 301. MORTGAGE PROTECTIONS.

The Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended by inserting after section 129A, as added by this Act, the following new section:

SEC. 129B. PROTECTIONS FOR ALL HOME LOANS.

(a) DUTIES OF ALL MORTGAGE ORIGINATORS.—Each mortgage originator shall, with respect to each home mortgage loan and, in addition to duties imposed by other applicable provisions of Federal or State law—

(1) inform the borrower of the availability of a new loan or other debt prior to and in the course of any transaction, practice, or course of business associated with the transaction.

(2) LIMITATION.—In connection with a home mortgage loan, a mortgage originator may not—

(A) mischaracterize the credit history of a consumer or the home loans available to a consumer;

(B) mischaracterize or suborn mischaracterization of the appraised value of the property securing the extension of credit; and

(C) if unable to suggest, offer, or recommend to a consumer a loan that is not more expensive than that for which the consumer qualifies, discourage a consumer from seeking a home mortgage loan from another creditor or with another mortgage originator.

(d) REQUIRED DOCUMENTATION.—

(1) IN GENERAL.—With respect to any home mortgage loan, a mortgage originator shall base its determination of the ability of a consumer to pay on—

(A) documentation of all sources of income verified by tax returns, payroll receipts, bank records, or the best and most reliable sources, subject to such requirements and exceptions as determined appropriate by the Board; and

(B) the debt-to-income ratio and the residual income of the consumer after paying out of current expenses and proposed home loan payments.

(2) LIMITATION.—A statement provided by a consumer of the income and financial resources of the consumer, without other documentation referred to in paragraph (1), is not sufficient verification for purposes of assessing the ability of the consumer to pay.

(e) LIMITATIONS ON YIELD-SPREAD PREMIUMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no person may provide, and no mortgage originator may receive, directly or indirectly, any compensation for originating a home mortgage loan that is more costly than that for which the consumer qualifies, or that is based on, or varies with, the terms of any home mortgage loan (other than the amount of points, however denominated, or any prepayment terms, however denominated, or any pay- ment reduction fee, however denominated) or any other provision of law, in the case of any foreclosure pursuant to the foreclosure shall assume such interest subject to—

(A) the provision, by the successor in interest to a notice to vacate by bona fide tenant at least 90 days before the effective date of the notice to vacate; and

(B) the rights of any bona fide tenant, as of the date of such notice of foreclosure—

(i) under any bona fide lease entered into before the notice of foreclosure to occupy the premises until the end of the remaining term of the lease; or

(ii) without a lease or with a lease terminable at will under State law, subject to the receipt by the tenant of the 90-day notice under paragraph (A).

(f) BONA FIDE LEASE OR TENANCY.—For purposes of this section, a lease or tenancy shall be considered bona fide only if—

(I) the mortgage originator under the contract is not the tenant;

(II) the lease or tenancy was the result of an arms-length transaction; or

(III) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property.

TITLE IV—GOOD FAITH AND FAIR DEALING IN APPRAISALS

SEC. 401. DUTIES OF APPRAISERS.

The Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended by inserting after section 129B, as added by this Act, the following new section:

SEC. 129C. DUTIES OF APPRAISERS.

(a) DEFINITIONS.—In this section, the following definitions shall apply:

(1) APPRAISER.—The term ‘appraiser’ means a person who—

(A) is certified or licensed by the State in which the property to be appraised is located; and

(B) performs each appraisal in conformity with the Uniform Standards of Professional Appraisal Practice and title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and the regulations prescribed under such title, as in effect on the date of the appraisal.

(2) VALUATION.—The term ‘valuing bond’ means a bond equal to not less than 1 percent of the aggregate value of all homes appraised by an appraiser of real property in connection with a home mortgage loan in the calendar year preceding the date of the transaction, with respect to which—

(A) the bond shall inure first to the benefit of the homeowners who have claims against the appraiser under this title or any other applicable provision of law, and second to the benefit of originating creditors that complied with their duty of good faith and fair dealing in accordance with this title; and

(B) any assignee or subsequent transferee or trustee shall be a beneficiary of the bond, only if the originating creditor qualified for such treatment.

(3) STANDARD OF CARE.—Each appraiser shall, in addition to the duties imposed by otherwise applicable provisions of Federal or State law, with respect to each home mortgage loan in which the appraiser is involved—

(I) act with reasonable skill, care, diligence, and in accordance with the highest standards; and

(II) act in good faith and with fair dealing in any transaction, practice, or course of business associated with the transaction.

(c) LIMITING APPRAISALS.—

(1) OBJECTIVE APPRAISALS.—All appraisals carried out by an appraiser shall be accurate
and reasonable. An appraiser shall have no direct or indirect interest in the property to be appraised, the real estate transaction prompting such appraisal, or the home loan involved.

"(2) BOND REQUIREMENT.—No appraiser may charge, seek, or receive compensation for an appraisal unless the appraisal is covered by a qualifying bond.

"(3) NO TARGET VALUES.—No lender or loan servicer may, with respect to a home mortgage loan, in any way or manner influence an appraiser or otherwise encourage a targeted value in order to facilitate the making or pricing of the home mortgage loan.

"(B) select an appraiser on the basis of an expectation that such appraiser would provide a targeted value in order to facilitate the making or pricing of the home mortgage loan.

"(4) PROHIBITION ON CERTAIN DISCLOSURES.—Neither the appraisal order nor any other communication in any form by an appraiser may include the requested loan amount or any estimate of the value for the property to serve as collateral, either express or implied.

"(d) APPRAISAL REPORT.—In any case in which an appraisal is performed in connection with a home mortgage loan, the lender or loan servicer shall provide a copy of the appraisal report to an applicant for a home mortgage loan, whether credit is granted, denied, or otherwise to encourage a targeted value in order to facilitate the making or pricing of the home mortgage loan.

"(3) STATE ATTORNEY GENERAL ENFORCEMENT.—An action to enforce a violation of this section may be brought by the appropriate State attorney general in any appropriate United States district court.

"(A) shall result in the waiver of the fee.

"(B) for services actually rendered; and

"(C) act in good faith and with fair dealing in any transaction, practice, or course of business associated with the home mortgage loan, including any home mortgage loan in default or in which the homeowner has filed for bankruptcy.

"(A) act with reasonable skill, care, diligence, and in accordance with the highest standards; and

"(B) act in good faith and with fair dealing in any transaction, practice, or course of business associated with the home mortgage loan.

"(B) RULES FOR ASSESSMENT OF FEE.—

"(1) IN GENERAL.—No home mortgage loan contract may require that any lender or loan servicer assess or receive, any fees or charges other than interest, late fees as specifically authorized in this section, or fees and charges allowed pursuant to subsection (1)(1)(B), until the home mortgage loan is the subject of a foreclosure proceeding and the debt on such loan has been accelerated.

"(2) FEES LIMITATIONS.—Any permissible fee or charge described under paragraph (1) shall be

"(A) reasonable;

"(B) for services actually rendered; and

"(C) specifically authorized by the terms of the home mortgage loan contract and State law.

"(3) ASSESSMENT AND DISCLOSURE.—

"(A) IN GENERAL.—Any permissible fee or charge described under paragraph (1) shall be

"(1) assessed not later than 30 days after the date on which the fee was accrued; and

"(2) JURISDICTION.—Any action by a borrower for a failure to comply with the requirements of this section may be brought in any United States district court, or in any other court of competent jurisdiction, not later than 3 years from the date of the occurrence of such violation. This subsection does not bar a person from asserting a violation of this section in an action to collect the debt owed on a home mortgage loan, or for rescission of a home mortgage loan, or to stop a foreclosure upon that home, which was brought more than 3 years after the date of the occurrence of the violation. An action under this section does not create an independent basis for removal of an action to a United States district court.

"(3) C OORDINATION WITH SUBSEQUENT LATE FEES.—

"(A) I N GENERAL.—A lender or loan servicer shall be accepted and credited on the collateral and clearly delineates

"(A) any actual damages sustained by such borrower as a result of the failure;

"(B) an amount not less than $5,000; or

"(C) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fees and the status of the escrow account held by the borrower, including the reason that the amount of the payment past due; or

"(D) more than once with respect to a single late payment.

"(3) S TATE ATTORNEY GENERAL ENFORCEMENT.—An action to enforce a violation of this section does not create an independent basis for removal of an action to a United States district court.

"(4) REQUIRED STATEMENTS.

"(A) Standard of Care.—The Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended by inserting after section 129C, as added by this Act, the following new section 129D—

"(C) REQUIRED STATEMENTS.

"(A) I N GENERAL.—Any action by a borrower for a failure to comply with the requirements of this section may be brought in any United States district court, or in any other court of competent jurisdiction, not later than 3 years from the date of the occurrence of such violation. This subsection does not bar a person from asserting a violation of this section in an action to collect the debt owed on a home mortgage loan, or for rescission of a home mortgage loan, or to stop a foreclosure upon that home, which was brought more than 3 years after the date of the occurrence of the violation. An action under this section does not create an independent basis for removal of an action to a United States district court.

"(4) REQUIRED STATEMENTS.—Each month a lender or loan servicer shall provide to each borrower designated in a home mortgage loan contract entered into by such lender or loan servicer a periodic payment statement that clearly and in plain English explains—

"(A) the application of the prior month’s payment by the borrower, including the allocation of the payment to interest, principal, escrow, and fees;

"(B) the status of the escrow account held on behalf of the borrower, including the payables and front escrow accounts; and

"(C) the assessment of fees accruing in the previous month, including the reason that they accrued and the date such fee accrued.

"(D) MAXIMUM ALLOWABLE LATE FEES CHARGED AFTER LOAN CLOSING.—No lender or loan servicer may impose a charge or fee for late payment of any amount due on a home mortgage loan.

"(A) unless the home mortgage loan contract specifically authorizes the charge or fee;

"(B) in an amount in excess of 5 percent of the amount of the payment past due;

"(C) before the end of the 15-day period after the date the payment is due, or in the case of a home mortgage loan on which interest is not charged to current installments, then to delinquent payments, and then to delinquency charges.

"(D) DELINQUENCY CHARGES.

"(E) COLLATERAL PROTECTION INSURANCE.—A lender or loan servicer may not charge any borrower designated in a home mortgage loan contract for collateral protection insurance, unless

"(A) the home mortgage loan contract requires the borrower to maintain insurance on the collateral and clearly delineates—

"(1) the terms and conditions for imposition of and payment of the collateral; and

"(2) that such insurance may not protect the interests of the borrower and may be substantially more expensive than insurance that the borrower could purchase independently; and

"(3) that the borrower will be charged for the cost of the insurance;

"(B) a lender or loan servicer makes every effort to avoid the necessity of requiring collateral protection insurance, including at least written notice and telephone conversations with the borrower and the insurance agent of record regarding the—

"(i) obligation of the borrower to maintain property insurance; and

"(ii) that the additional premium on the borrower on a monthly basis if collateral protection insurance is required;
(C) clear notice is received by the borrower at least 15 days in advance of the charge for collateral protection insurance, including—

(i) placing the that—

(ii) of the insurance is immin—

(iii) the insurance will not protect the borrower from loss; and

(iv) notice of the amount of the monthly payment shall be made all pay—

(2) PROHIBITION.—In no event is collateral protection insurance permitted when a lend—

er or loan servicer notice of the new monthly payment requirements shall be delivered to the bor—

rower at least 15 days prior to the first in—

creased payment.

(A) explaining the imposition of the new charges for such insurance; and

(B) providing information on what the borrower can do to obviate the need for such insurance.

(1) OBLIGATIONS OF LENDER OR LOAN SERVICER TO HANDLE ESCROW FUNDS.—A lender or loan servicer, if all payments from the escrow account held for the borrower designated in a home mortgage loan contract shall make all payments on the borrower’s behalf, including property taxes and insurance, unless the borrower has had his or her insurance cancelled for some reason other than non-payment of the premium.

(2) NOTICE OF CHARGE.—After a charge for the purchase of collateral protection insur—

ance or for insurance, taxes, and other charges with respect to the property secured by such contract in a timely manner to en—

sure that no late penalties are assessed and that no other negative consequences result, regardless of whether the loan is delinquent, unless—

(i) there are not sufficient funds in the account of such borrower to cover the pay—

ments; and

(ii) the lender or loan servicer has a rea—

sonable basis to believe that recovery of the funds might not be possible.

(3) INFORMATION EXCHANGE AND DISPUTE REQUIREMENTS.—

(A) MANDATORY RESPONSE TO BORROWERS’ REQUESTS.—

(a) In general.—A lender or loan servicer responding to any request for information about the mortgage loan or a delinquent account is current, or if not, the date the account went into de—

fault;

(b) FORM AND CONTENT.—The Board shall prescribe, by regulation, the form and con—

tent of the response required by this para—

graph which shall include—

(i) categories of measures that result in modifications of loan provisions, including payment schedules, loan principle, and loan interest;

(ii) forbearance agreements;

(iii) acceptance of a reduced amount in satisfaction of an outstanding balance;

(iv) assumption of the loan;

(v) pre-foreclosure sales; and

(vi) deeds in lieu of foreclosure, and fore—

closures.

(C) BASIS.—Data required by this para—

graph shall be reported on a servicer and a lender basis.

(D) PUBLIC AVAILABILITY.—The Board shall make data received under this para—

graph publicly available, and shall annually report to Congress on servicer loss mitiga—

tion activities.

(3) FAILURE TO COMPLY.—Failure by a lender or loan servicer to comply with the requirements under paragraph (1) shall con—

stitute a default in any foreclosure.

(A) PAYOFF STATEMENTS.—

(1) PROHIBITION ON FEE.—
“(i) whether the account of the borrower is current, or if the account is not current, an explanation of the reason and date the account went into default; 

“(ii) an explanation of the escrow balance, and whether there are any escrow deficiencies or shortages; and 

“(iii) a history of the borrower which shows in a clear and easily understandable manner, all of the activity on the home mortgage loan since the origination of the loan or the prior transfer of servicing, including the escrow account, and the application of payments.”

**SECTION 503. EFFECTIVE DATE.**

This title shall become effective 90 days after the date of enactment of this Act, and shall apply to loan servicers and loan servicing activities on and after that effective date.

**TITLE VI—FORECLOSURE PREVENTION COUNSELING**

**SEC. 601. FORECLOSURE PREVENTION COUNSELING.**

Section 106(d)(6) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(d)(6)) is amended as follows:

“(6) FORECLOSURE PREVENTION COUNSELING—

““(a) NOTIFICATION AT TIME OF SETTLEMENT OF AVAILABILITY OF COUNSELING UPON DELINQUENCY OF THE MORTGAGE—

“(i) IN GENERAL.—At the time of settlement of any real estate transaction involving a qualified mortgage, and together with the final signed loan documents, a lender or loan servicer shall provide to each eligible homeowner a plain language statement in conspicuous 16-point type or larger which shall include the following:

“(I) COUNSELING STATEMENT.—A counseling statement that reads as follows:

“If you are more than 30 days late on your mortgage payments, your lender or loan servicer shall notify you of housing counseling agencies approved by the Secretary of Housing and Urban Development that may be able to assist you. Before you miss another mortgage payment, you are strongly encouraged to contact your lender or loan servicer or 1 of these agencies for assistance. If you miss 60 days of your mortgage payments, your lender or loan servicer shall send you a second notification containing this information. In addition, if you are at least 60 days late on your mortgage payment, your lender or loan servicer shall notify an approved housing counseling agency that such agency can contact you regarding any assistance it may be able to provide.

‘You can also choose a housing counseling agency from the list provided with this notice to assist you. By calling one of these agencies you agree to counseling and signing an authorization form, your agency of choice will notify your lender or loan servicer of your decision.’

“(II) COUNSELING AGENCY LISTING.—A listing of at least 5 State and local housing counseling agencies approved by the Secretary. It is the responsibility of the lender or loan servicer to ensure that—

“(aa) if fewer than 5 approved housing counseling agencies serve the area where the eligible homeowner is located, all available housing counseling agencies in that area shall be listed; and

“(bb) the list shall include options of housing counseling agencies that provide in-person counseling, as well as telephone counseling.

“(ii) NOTICE.—Any notice required to be sent pursuant to this subparagraph shall be sent by registered or certified mail, or by providing written correspondence, by providing written correspondence, or by scanning, and other electronically reproduced authorizations of such authorization form shall also be acceptable.

“(III) DUTY OF LENDER OR SERVICER TO FORWARD INFORMATION.—A lender or loan servicer shall disclose to any housing counseling agency approved by the Secretary for the purposes of receiving foreclosure prevention services and assistance; that no information that would make it possible to identify the homeowner will be given to any other entity for any reason without the prior approval of the homeowner.

“(IV) REQUIRED RESOLUTIONS.—A lender or loan servicer shall be required to consider all loss mitigation resolutions for each case of foreclosure initiated by the lender or loan servicer, including the modification of a qualified mortgage to a more permanent, affordable interest rate.

“(V) REQUIRED DISCLOSURES TO HOUSING COUNSELING AGENCIES.—A lender or loan servicer shall disclose to any housing counseling agency approved by the Secretary for the purposes of receiving foreclosure prevention services and assistance; and

““(i) upon receipt of a written confirmation that an eligible homeowner has engaged a housing counseling agency approved by the Secretary, or the furnishing of any other information requested by such agency, the lender or loan servicer shall disclose to the housing counseling agency the name and address of the eligible homeowner and if different, to the residence which is the subject of the mortgage. The notice shall also be sent by registered or certified mail.

“(B) NOTIFICATION OF AVAILABILITY OF COUNSELING UPON DELINQUENCY AFTER 60 DAYS.—

“(i) IN GENERAL.—Before a lender or loan servicer accelerates the maturity of a mortgage, including mortgage foreclosure to recover under the obligation, or takes possession of a security of the mortgagor for the mortgage obligation, the lender or loan servicer is required to give notice to an eligible homeowner in conspicuous 16-point type or larger which shall include the following:

“(II) DUTY OF LENDER OR SERVICER TO FORWARD INFORMATION—A foreclosure notice that includes the following statement (blank lines to be filled in by the lender or loan servicer, as appropriate):

‘This is an official notice that the mortgage on your home is in default, and the lender intends to foreclose in days. The name, address, and phone number of housing counseling agencies approved by the Secretary for the purposes of receiving foreclosure prevention services and assistance; or

‘by signing an authorization form at the office of such housing counseling agency of choice, which form shall then be sent to the lender or loan servicer.

“(III) RULES OF CONSTRUCTION.—In order to carry out the provisions of this paragraph, lenders and loan servicers may form relationships with housing counseling agencies approved by the Secretary to provide services to eligible homeowners. Notwithstanding the previous sentence, exclusive relationships between any such parties are strictly prohibited.

“(ii) AGENCY REPRESENTATION OF HOMEOWNERS.—When a housing counseling agency provides a lender or loan servicer with a signed authorization form to represent an eligible homeowner, the lender or servicer shall respond to requests from that agency for information within 3 days, and to any workout proposals of that agency within 7 days. A lender or loan servicer may not refuse to work with a housing counselor from a housing counseling agency approved by the Secretary, if a signed authorization form an eligible homeowner has been received from that agency, that lender or servicer has faxed, scanned, and other electronically reproduced authorizations of such authorization form shall also be acceptable.

**(iii) REQUIRED DISCLOSURES TO HOMEOWNERS.—Each eligible homeowner shall be informed at the time of settlement of the real estate transaction involving a qualified mortgage issued to that homeowner.**
Agreement, and the name of the pool Trustee. 

"(E) REIMBURSEMENTS FOR HOUSING COUNSELING SERVICES.—

(i) Definition.—A lender or loan servicer shall reimburse the housing counseling agency that is authorized to represent the homeowner with respect to the mortgage services by such agency to the homeowner under this paragraph.

(ii) REIMBURSEMENT.—A lender or loan servicer shall make a reimbursement for the payment of housing counseling services as described under clause (i) from the proceeds of the Pooling and Servicing Agreement.

"(F) AVAILABILITY OF WAIVER.—

(i) IN GENERAL.—An eligible homeowner may choose not to receive information regarding State and local housing counseling agencies approved by the Secretary, or to have their information shared with State and local housing counseling agencies, or both, at any time after default. An eligible homeowner may also submit a signed letter to their lender or loan servicer at any time after default to waive their right to receive information regarding State and local housing counseling agencies.

(ii) LIMITATION ON WAIVER.—The waiver described under clause (i) shall only apply to the portion regarding services by housing counseling agencies located in the area where the homeowner is located or the sharing of the homeowner’s personal information with such agencies. The waiver described under clause (i) shall not apply to the right of the homeowner to seek foreclosure prevention counseling, nor does it relieve the lender or servicer of the requirements to notify the homeowner of the availability of counseling as described in this section.

"(G) DEFINITIONS.—In this paragraph, the following shall apply:

(i) LENDER.—The term ‘lender’ has the same meaning as in section 3500.2 of title 24, Code of Federal Regulations.

(ii) LOAN SERVICER.—The term ‘loan servicer’ has the same meaning as the term ‘servicer’ as that term is defined in section 6(h) of the Real Estate Settlement Procedures Act (12 U.S.C. 2605(h)).

TITLE VII—REMEDIES AND ENFORCEMENT

SEC. 701. MATERIAL DISCLOSURES AND VIOLATIONS.

(a) MATERIAL DISCLOSURES.—Section 163(2) of the Truth in Lending Act (15 U.S.C. 163(2)) is amended by—

(1) striking "material disclosures" and inserting "material disclosures or violations"; and

(2) striking "the disclosures required by section 128(a)" and inserting "and the provisions of sections 129, 129A, and 129B.'

(b) CONSEQUENCES OF FAILURE TO COMPLY.—Section 129(j) of the Truth in Lending Act (15 U.S.C. 163(f)) is amended by striking "contains a provision prohibited by" and inserting "violates a provision of".

SEC. 702. RIGHT OF RESCission.

(a) TIME LIMIT FOR EXERCISE OF RIGHT.—Section 125(f) of the Truth in Lending Act (15 U.S.C. 163(f)) is amended by striking "An obligor’s right of rescission shall expire three years after the date of consummation" and inserting "An obligor’s right of rescission shall extend to 6 years from the date of consummation".

(b) SECTION LIMIT.—Section 125(b) of the Truth in Lending Act (15 U.S.C. 163(b)) is amended by striking the period after "(b) in subparagraph (A)," and inserting "the provision of sections (a) and (e), any person who purchases, holds, or is otherwise assigned a mortgage or similar security interest in connection with a subprime or nontraditional home mortgage loan, other than a loan described under section 129(a), shall be liable in a class action for remedies described under section 130 for violations of section 129A that the consumer could assert against the creditor or mortgage originator originating that mortgage, provided that such liability is limited to the amount of all remaining indebtedness and the total amount paid in connection with the transaction plus amounts required to recover costs, including reasonable attorneys’ fees.".

SEC. 703. LIABILITY FOR MONETARY DAMAGES.

(a) IN GENERAL.—Section 130 of the Truth in Lending Act (15 U.S.C. 1641) is amended by—

(1) striking "creditor" and inserting "creditor or mortgage broker" in each place that term appears;

(2) striking "creditor or mortgage broker" in each place that term appears; and

(3) striking "creditor’s" and inserting "creditor’s or mortgage broker’s" in each place that term appears.

(b) STATUTE OF LIMITATIONS EXTENDED FOR VIOLATIONS OF SECTIONS 129, 129A, OR 129B.—Section 130(e) of the Truth in Lending Act (15 U.S.C. 1640(e)), as amended by section 702(b), is further amended—

(1) in the first sentence, by striking "Any action" and inserting "Except as otherwise provided in this subsection, any action";

(2) by inserting after the first sentence the following new sentence: "Any action under this subsection to enforce a violation of section 129, 129A, or 129B may be brought in any United States district court, or in any other court of competent jurisdiction, within 3 years after the date of the occurrence of the violation."; and

(3) in the fifth sentence (as so redesignated) by striking "violation of section 129" and inserting "violation of section 129, 129A, or 129B.'

(c) ENFORCEMENT BY STATE ATTORNEYS GENERAL.—An action to enforce a violation of section 129, 129A, or 129B of the Truth in Lending Act, as amended and added by this Act, may also be brought by the appropriate State attorney general in any appropriate United States district court, or any other court of competent jurisdiction, not later than 3 years after the date on which the violation occurs. An action under this subsection does not create an independent basis for removal of an action to a United States district court.

(d) OTHER CHANGES TO CIVIL LIABILITY.—

(1) AMOUNT OF AWARD.—Section 130(a)(2) of the Truth in Lending Act (15 U.S.C. 1640(a)(2)) is amended—

(A) in subparagraph (A), by—

(i) striking "$500" and inserting "$50,000";

(ii) striking "$2,000" and inserting "$5,000"; and

(iii) adding before the semicolon at the end the following: "...such amount to adjusted annually based on the consumer price index, to maintain current value."; and

(B) in subparagraph (B), by striking "$5,000".

(2) FAILURE TO COMPLY WITH SECTION 129.—Section 130(a)(4) of the Truth in Lending Act (15 U.S.C. 1640(a)(4)) is amended by inserting "or 129A" after "129B", and in clauses (A) and (B), inserting "$1,000,000, 5,000,000" and inserting "$5,000,000,000".

SEC. 704. LIABILITY FOR MONETARY DAMAGES.

Section 130 of the Truth in Lending Act (15 U.S.C. 1641) is further amended by adding at the end of the following subsection:

"(b) REMEDY IN LIEU OF RESCission FOR CERTAIN VIOLATIONS.—At the election of a consumer entitled to rescind for violations of sections 129, 129A, or 129B, any person (including a creditor) who holds, purchases, or is otherwise assigned a mortgage or similar security interest in connection with home mortgage loan—

"(1) may be required to make such adjustments to the balance of the obligation as are required under section 125, and

"(2) shall modify or rescind the loan, at no cost to the consumer, the resulting balance of which shall provide terms that would have satisfied the requirements of sections 129, 129A, or 129B at the time of the loan and to pay costs and reasonable attorney fees.".

SEC. 706. PROHIBITION ON MANDATORY ARBITRATION.

Section 131 of the Truth in Lending Act (15 U.S.C. 1641) is further amended by adding at the end of the new subsection:

"(c) REMEDY IN LIEU OF RESCission FOR CERTAIN VIOLATIONS.—At the election of a consumer entitled to rescind for violations of sections 129, 129A, or 129B, any person (including a creditor) who holds, purchases, or is otherwise assigned a mortgage or similar security interest in connection with home mortgage loan—

"(1) may be required to make such adjustments to the balance of the obligation as are required under section 125, and

"(2) shall modify or rescind the loan, at no cost to the consumer, the resulting balance of which shall provide terms that would have satisfied the requirements of sections 129, 129A, or 129B at the time of the loan and to pay costs and reasonable attorney fees.".

SEC. 707. LENDER LIABILITY.

Section 130 of the Truth in Lending Act (15 U.S.C. 1641) is amended by adding at the end the following new subsection:

"(c) LENDER LIABILITY.—

"(1) TRANSFERENCE LIABILITY.—In any case where a mortgage broker sells or delivers a high-cost mortgage, a subprime mortgage, or a nontraditional mortgage, a creditor shall be liable for any civil money penalties assessed by the Federal Reserve. No civil money penalties made by the mortgage broker in connection with such home mortgage loan shall be liable in an individual action for remedies available under section 130 for violations of sections 129A and 129B that the consumer could assert against the creditor or mortgage originator originating that mortgage, provided that such liability is limited to the amount of all remaining indebtedness and the total amount paid in connection with the transaction plus amounts required to recover costs, including reasonable attorneys’ fees.".
“(2) TRANSITIVE LIABILITY FOR OTHER LOANS.—In the case of any other home mortgage loan not described under paragraph (1) in which a mortgage broker has received a yield of compensation or other compensation from a creditor, the creditor shall be liable for the acts, omissions, and representations made by the mortgage broker in connection with such mortgage loan.

TITLE VIII—OTHER BANKING AGENCY AUTHORITY

SEC. 801. INCLUSION OF ALL BANKING AGENCIES IN THE REGULATORY AUTHORITY UNDER THE FEDERAL TRADE COMMISSION ACT WITH RESPECT TO DEPOSITORY INSTITUTIONS.

(a) In General.—Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking “banks or savings and loan institutions described in paragraph (3), each agency specified in paragraph (2) or (3) of this subsection shall establish” and inserting “depository institutions and Federal credit unions, the Federal banking agencies and the National Credit Union Administration Board shall each establish”;

(ii) by striking “and inserting” and inserting “or Federal credit unions subject to the jurisdiction of such agency or Board”; and

(B) in the second sentence, by striking “The Board of Governors of the Federal Reserve System (with respect to banks) and the Federal Home Loan Bank Board (with respect to savings and loan institutions described in paragraph (3))” and inserting “Each Federal banking agency (with respect to the depository institutions such agency supervises)”; and

(C) in the third sentence—

(i) by striking “each such Board” and inserting “each such banking agency and the National Credit Union Administration Board”;

(ii) by striking “banks or savings and loan institutions described in paragraph (3)” each place such term appears and inserting “depository institutions subject to the jurisdiction of such agency”; and

(iii) by striking “any such Board” and inserting “(A) any such Federal banking agency or the National Credit Union Administration Board”; and

(iv) by striking “with respect to banks, savings and loan institutions” and inserting “with respect to depository institutions”;

and

(D) by adding at the end the following:

“For purposes of this subsection, the terms ‘Federal banking agency’ and ‘depository institution’ have the same meaning as in section 3 of the Federal Deposit Insurance Act.”;

(2) in paragraph (3), by inserting “by the Director of the Office of Thrift Supervision before” for “by”;

(3) in paragraph (4), by inserting “by the National Credit Union Administration Board” before the period at the end; and

(4) by amending paragraph (5) to read as follows:

“(5) For the purpose of the exercise by the Federal banking agencies described in paragraphs (1), (2), and (3) of their powers under any Act referred to in those paragraphs, a violation of any regulation prescribed under this subsection shall be considered a violation of a requirement imposed under that Act. In addition, violations under any provision of law specifically referred to in paragraphs (2) through (4), of each of the agencies or the Board referred to in those paragraphs may exercise, for the purpose of enforcing compliance with any regulation prescribed under this subsection, any other authority conferred on it by law.”

(b) PREEMPTION.—Such section 18(f) is further amended by striking paragraph (6) and inserting the following.

“(6) Protection against anything in this subsection or any other provision of law, including the National Bank Act (12 U.S.C. 38 et seq.), and the Home Owners Loan Act of 1933 (12 U.S.C. 1461 et seq.), regulations promulgated under this subsection shall be considered supplemental to State laws governing unfair and deceptive trade acts and practices and may not be construed to preempt any provision of State law that provides equal or greater protections.”.

(c) TECHNICAL AMENDMENT.—Such section 18(f) is further amended in paragraph (2)(C), by inserting “‘other’” after “‘other’.”

TITLE IX—MISCELLANEOUS

SEC. 901. AUTHORIZATIONS.

For fiscal years 2008, 2009, 2010, 2011, and 2012, there are authorized to be appropriated to the Attorney General of the United States, a total of—

(1) $31,250,000 to support the employment of 30 additional agents of the Federal Bureau of Investigation and 2 additional dedicated prosecutors at the Department of Justice to coordinate prosecutors’ fraud efforts with the offices of the United States Attorneys;

(2) $750,000 to support the operations of interagency task forces of the Federal Bureau of Investigation in the areas with the 15 highest concentrations of mortgage fraud.

“HOMEWORLD PRESERVATION AND PROTECTION ACT OF 2007”—KEY PROVISIONS

TITLE I: HIGH COST MORTGAGES

Definition of “High Cost” Mortgage. The legislation tightens the definition of a “high cost mortgage” for which certain consumer protections are triggered. The new definition, which amends the “Home Ownership Equity Protection Act,” (HOEPA) is as follows:

First mortgages with APRs that exceed Treasury securities by eight (8) percentage points (with a range from 6 to 10 percent); and

Second mortgages with APRs that exceed Treasury securities by ten (10) percentage points (with a range of 8 to 12 percent); or

Mortgages where total points and fees payable by the borrower exceed 5 percent of the total loan amount, or, for smaller loans of less than $20,000, the lesser of eight (8) percentage or $1,000. The bill revises and defines an existing option to include the yield spread premiums and other charges. It allows for up to two bona fide discount points outside of the 5 percent trigger. The following key protections are triggered for high cost mortgages

No financing of points and fees. The bill prohibits a creditor from directly or indirectly financing any portion of the points, fees, and closing costs. The limitations and prohibitions are designed to discourage lenders from “flipping” the mortgage in order to extract additional excessive fees.

Prohibition on prepayment penalties. The bill prohibits the lender from imposing prepayment penalties for high cost loans.

Prohibition of yield spread premiums (YSPs). The bill prohibits YSPs for placing a borrower in a high cost loan that is more costly than that for which the borrower qualifies. Mortgage brokers, who have originated about 70 percent of subprime mortgages, receive higher compensation through YSPs. The bill applies to higher and lower cost loans. This bill will eliminate the incentive to “upsell” these borrowers.

Net Tangible Benefit. The originator must determine that a high-cost refinance loan provides a net tangible benefit to the borrower.

Limitation on balloon payments. The bill prohibits the use of balloon payments.

Requirements for making subprime or nontraditional mortgages. Mortgages that have interest rates that are 3 percentage points higher than Treasury securities of comparable maturities for first mortgages and 5 percentage points for second mortgages. This definition tracks the Federal Reserve Board’s definition of subprime lending for the purposes of the Home Mortgage Disclosure Act (HMDA) regulations. This bill’s definition includes an alternative measure that is designed to prevent capturing too many mortgages when the yield curve is unusually flat.

Nontraditional mortgages. These are mortgages that allow deferral of the payment of interest or principal. Interest-only and payment-option ARM’s are the current examples of nontraditional mortgages we see most often.

Requirements for making subprime or nontraditional mortgages. Ability to repay. A mortgage originator must establish that a borrower has the ability to repay the loan based on the fully-indexed rate, assuming full amortization. In making this determination, the mortgage originator must consider the borrower’s income, credit history, debt-to-income (DTI) ratio, employment status, residual income, and other financial factors.

Require Escrows for Taxes and Insurance. While nearly all prime mortgages include escrows for taxes and insurance, very few subprime loans include escrows for taxes and insurance. Yet, few subprime mortgages include these escrows. Currently, unscrupulous mortgage originators entice unsophisticated borrowers into taking out abusive loans with promises of lower monthly payments, in part by comparing their current payments, which often include escrows, with proposed loans that do not include escrows in the monthly payment. Therefore, appear lower. Then, when insurance or tax payments are due, the borrowers, who often do not have the resources to pay the taxes and insurance, are forced to seek new loans to cover the required payments, generating a whole new set of fees. Lack of escrows, in other words, becomes a tool for upselling.

Debt-to-Income Ratio. If a borrower’s DTI ratio is greater than 45 percent, a mortgage is assumed to be unaffordable unless the borrower can show that there is sufficient residual income to afford the loan.

The ability to repay standard is largely based on guidance published by the Federal Reserve in 2006 that applied to the sub prime and nontraditional mortgage markets.
The following protections apply to borrowers who take out subprime or nontraditional mortgages:

No Prepayment Penalties. The legislation will prohibit all prepayment penalties for subprime and nontraditional loans.

Prepayment penalties unfairly trap subprime borrowers in expensive subprime mortgages and make it difficult for them to refinance into better loans, or strip out equity when the penalty is paid. Studies done by the Center for Responsible Lending (CRL) show that interest rates on subprime loans are no lower for loans with prepayment penalties than for loans without these penalties after holding credit scores, LTVs, and other factors constant. Moreover, the CRL study shows that the odds of having a loan with a prepayment penalty increases significantly for borrowers who live in minority neighborhoods.

No Yield-Spread Premiums (YSPs). The legislation will prohibit YSPs for subprime and nontraditional loans.

YSPs are payments made by lenders to mortgage brokers, usually without the borrower’s knowledge. In exchange for the YSP, the lender promises that the broker’s client will get a lower interest rate. Brokerage fees pay more for loans, all other things equal. That means that brokers represent the borrower, or most any borrower, their home is their chief asset. If the borrower faces the loss of her only real asset through a foreclosure, for instance, as a result of a violation of the law, the last thing she wants to do is allow her to go to the only party that can give her relief—the note holder. The note holder, which is typically a large institutional entity or an aggregator such as Freddie Mac, hedge fund or the like, is in a far better position to recover from another party who may have caused the problem. In the long run, this process will bring more discipline to the mortgage marketplace, the very kind of discipline that has been missing over the past several years.

Individual borrowers and brokers—owe a duty of good faith and fair dealing to borrowers. The duty of good faith and fair dealing is widespread in state law with regard to the execution of contracts. It would apply that duty to the making of a mortgage contract, which is a new, but reasonable application.

All mortgage originators have to make reasonable efforts to make an advantageous loan to the borrower, considering that borrowers are untrained and unadvised. For example, a requirement would prohibit a broker or lender from giving an adjustable rate mortgage with a high likelihood of escalating costs to an elderly person on a fixed income.

Mortgage brokers owe a fiduciary duty to their customers. The bill designates mortgage brokers as fiduciaries of borrowers. This means that brokers represent the borrower in the transaction.

Today, brokers typically sell their services by telling borrowers that they will do the shopping for the borrowers. Indeed, the National Association of Mortgage Brokers (NAMB) made the claim on their web site (until they were questioned about it at a Senate Banking Committee hearing) that brokers serve as “mentors” to borrowers to help them through the complex process of getting a loan. An industry publication, In- side B C Lending, described mortgage brokers as being particularly adept at convincing borrowers that they were “trusted advisors.” In fact, it is very likely that they would simply make the brokers live up to the role they often claim for themselves—that of a fiduciary.

Prohibit steering. Mortgage originators are prohibited from steering borrowers to more costly loans than that for which the borrower qualifies. This provision is designed to counteract the widespread problem of prime quality borrowers being steered into subprime loans. This provision would require lenders to notify borrowers that they qualify for higher quality loans, even if the originator does not offer those prime loans.

Moreover, past surveys have also shown that at least 20 to 50 percent of subprime borrowers could have qualified for prime loans. The Wall Street Journal (“Deborah Hebbar; ‘Credit-Worthy.’” December 3, 2007) reported on a study it commissioned that found in 2006 that 61 percent of subprime loans went to “borrowers with credit scores high enough to often qualify for conventional loans with far better terms.” HMDA data repeatedly shows that minorities are charged higher cost loans in disproportionate numbers.

Limitations on Yield-Spread Premiums. Allows YSPs only in the case of no-cost loans. (YSPs for high-cost, subprime, and nontraditional mortgages would be prohibited.) Where YSPs are paid, brokers may not receive any other compensation from any other source and prepayment penalties are prohibited.

As discussed above, mortgage brokers are paid with a yield-spread premium for steering disadvantaged borrowers to cover closing costs, including the broker fee. However, independent research has consistently shown that mortgage brokers are paid more for subprime and nontraditional mortgages than for prime loans. The Wall Street Journal reported that in 2006, 61 percent of subprime loans went to “borrowers with credit scores high enough to often qualify for conventional loans with far better terms.” In 2006, the Federal Reserve study it commissioned that found that in 2006 that 61 percent of subprime loans went to “borrowers with credit scores high enough to often qualify for conventional loans with far better terms.” In 2006, the Federal Reserve study showed that no more than half of the mortgages that went to subprime borrowers were paid in fees than borrowers who got no-cost loans where a broker’s compensation came completely from the YSP. Research also indicates that there is a significant racial component to YSPs and that minority borrowers pay even more in fees than similarly situated white borrowers.

Limit Low- and No-Documentation Loans. The legislation requires adequate documentation for mortgage loans. However, it gives the Federal Reserve the authority to certify exceptions as deemed appropriate, presumably for prime loans.

Remedies

Individual borrowers who get loans in violation of these provisions will be able to rescind their loans. Alternately, at the choice of the borrower, the creditor or holder of the loan may cure the loan by making the borrower whole. Actual damages.

Statutory damages up to $5,000 per loan, regardless of the number of violations per loan (up from $2,000 per loan in current law plus the maximum finance charges and fees.

Mortgages were written for a fee, sold to investment banks for a fee, then packaged and floated for another fee. At each link in the chain, the fees mattered more than the quality of the loan. To ensure that the quality of the loans does matter, a reasonable amount of responsibility for making good loans must travel with the funds as a condition for allowing for individual actions by borrowers who have been given illegal loans to make themselves whole. There will be no class liability for assignments of the loans—amounts are capped at the lesser of $5 million (current law), Actual damages.

The sensible and fair thing to do is to allow the borrower to go to the only party that can give her relief—the note holder. The note holder, which is typically a large institutional entity or an aggregator such as Freddie Mac, hedge fund or the like, is in a far better position to recover from another party who may have caused the problem. In the long run, this process will bring more discipline to the mortgage marketplace, the very kind of discipline that has been missing over the past several years.

Individual borrowers who get loans in violation of these provisions will be able to rescind their loans. Alternately, at the choice of the borrower, the creditor or holder of the loan may cure the loan by making the borrower whole. Actual damages.

Statutory damages up to $5,000 per loan, regardless of the number of violations per loan (up from $2,000 per loan in current law). Makes mortgage brokers liable under TILA for violations of TILA.

No class liability for assignees.

Reparations

Individual borrowers who get loans in violation of these provisions will be able to rescind their loans. Alternately, at the choice of the borrower, the creditor or holder of the loan may cure the loan by making the borrower whole. Actual damages.

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Statutory damages up to $5,000 per loan, regardless of the number of violations per loan (up from $2,000 per loan in current law). Makes mortgage brokers liable under TILA for violations of TILA.

No class liability for assignees.
or she has equity where little or none may exist.

Appraisers must obtain bonds equal to one percent of the value of the homes appraised.

Remedies available to borrowers

The act mandates that outstanding mortgage agreements where appraisals exceed true market value by 10 percent or more:

- When an appraisal exceeds market value by 10 percent (plus or minus 2 percent) or more, a borrower has a cause of action against the lender. A consumer who is awarded remedies under this section shall collect the borrower’s bond.
- Actual and statutory damages up to $5,000.

Title VI—Good Faith and Fair Dealing in Home Loan Servicing

Requirements for mortgage servicers

Mortgage servicers owe a duty of good faith and fair dealing to borrowers. James Montgomery, former Chairman of Great Western Financial Corporation, and a former director of Freddie Mac, said recently, “Servicers make money on foreclosure.” (American Banker, December 4, 2007. This standard would prevent servicers from unfairly profiting from their servicing responsibilities.

Prompt crediting of payments. Servicers must credit all payments on the day received. Payments must first be credited to principal and interest due on the note. Servicers can employ a scheme called “pyramiding,” by which they hold a payment until it is late, use a portion of the payment to cover the late fee, thereby causing the remaining payment to be insufficient.

Once a borrower is working with an approved housing counselor, the servicer may not initiate foreclosure for 45 days to give the parties an opportunity to work out a mutually agreeable solution.

Title VII—Remedies

Description of remedies are listed in each relevant title.

Title VIII—Give the FDIC and OCC Upstream Rulemaking Authority

Currently, only the Federal Reserve may issue regulations regarding standards for determining unfair or deceptive acts or practices (UDAP) for banks. The Office of Thrift Supervision has the authority to do this for thrifts, and has indicated its intention of issuing such a rule. This provision would give other banking regulators the same authority. These regulators have requested this authority, and have indicated that they are willing to act.

Other Provisions

The Federal Reserve Board will be responsible for writing regulations to implement this Act.

The act takes effect 6 months after date of enactment.

The legislation provides protections for renters in foreclosed homes.

The legislation authorizes additional appropriations to the FBI to fight mortgage fraud.

By Mr. Coleman (for himself and Mr. Leahy):

S. 2455. A bill to provide $1,000,000,000 in emergency Community Development Block Grant funding for necessary expenses related to the impact of foreclosures on communities; to the Committee on Banking, Housing, and Urban Affairs.

Mr. LEAHY. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of such funds (except for requirements related to fair housing, nondiscrimination, and access standards, and the environment), upon a request by a State, metropolitan city, or urban county that such waiver is required to facilitate the use of such funds, the Secretary shall notify the Secretary that such waiver would not be inconsistent with the overall purpose of the statute.

(b) LOW AND MODERATE INCOME REQUIREMENT WAIVER.—The Secretary of Housing and Urban Development may waive, upon the request of a State, metropolitan city, or urban county, any requirement prescribed under section 4. Such waiver shall, in the discretion of the Secretary, only be granted if a compelling need is demonstrated.

(c) PUBLIC SERVICES CAP.—The Secretary of Housing and Urban Development may waive, upon the request of a State, metropolitan city, or urban county, the public service requirement cap described under section 3. Such waiver shall, in the discretion of the Secretary, only be granted if a compelling need is demonstrated.

(d) OTHER WAIVER PROVISIONS.

(1) PUBLICATION IN THE FEDERAL REGISTER.—The Secretary of Housing and Urban Development shall publish in the Federal Register any waiver of any statute or regulation authorized under this section not later than 5 days before the effective date of such waiver.

(2) REVIEW OF WAIVER.—Each waiver granted under this section by the Secretary of Housing and Urban Development shall be reconsidered, and if still necessary reauthorized by the Secretary, not later than 2 years after the date on which such waiver was first published in the Federal Register pursuant to paragraph (1).

(3) NOTIFICATION OF COMMITTEES.—The Secretary of Housing and Urban Development shall notify the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives of any waiver granted or denied under this section not later than 5 days before such waiver is granted or denied.

SEC. 7. NONCOMPLIANCE WITH COMMUNITY DEVELOPMENT REQUIREMENTS.

For purposes of this Act, the provisions of section 111 of the Non-Housing Community Development Act of 1974 (42 U.S.C. 5301) (as so amended) shall apply to the use of all funds appropriated or otherwise made available under this Act.

SEC. 8. GAO AUDIT.

The Comptroller General of the United States shall—

(1) conduct an audit of the expenditure of all funds appropriated under this Act in accordance with generally accepted government auditing standards; and

(2) submit a report detailing such audit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 9. REPORTS.

The Secretary of Housing and Urban Development shall report, on a quarterly basis, to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives—

(1) the use of funds appropriated or otherwise made available under this Act, including—

(A) the number of households receiving counseling and rental assistance;

(B) the outcomes of such assistance activities;

(C) the names of those certified housing counseling service providing counseling assistance pursuant to this Act; and

(D) such other information as the Secretary may deem appropriate; and

(2) all steps taken by the Secretary to prevent fraud and abuse of such funds.

By Mr. REID (for Mrs. CLINTON (for herself and Mr. ROBERTS)):

S. 2456. A bill to amend the Public Health Service Act to improve and secure an adequate supply of influenza vaccine; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, today I join my colleague, Senator PAT ROBERTS, Senate Appropriations, Vaccine Security Act, Senator ROBERTS and I first introduced this legislation during the 109th Congress, in response to seasonal flu vaccine shortages, as well as the growing awareness of the need for pandemic flu preparedness. Some of these provisions were incorporated into law, but the overall need to address problems in education, tracking, and distribution related to seasonal influenza vaccine have not changed.

About 36,000 Americans die from the flu every year, and 200,000 more are hospitalized due to complications from the flu. These complications and deaths are largely preventable with a simple flu shot. Yet the process of getting a flu shot is not always simple. Since 2000, our Nation has experienced multiple shortages of flu vaccine prior to Thanksgiving, when demand is highest. What we have also experienced—and that attention to the fact that at the end of the flu season, we often have surpluses. The millions of doses that were in such high demand earlier in the season go unused. We need to bring some stability into the vaccine market, to ensure that we have vaccine at periods of high demand, and also sustain demand beyond the limited early-season period.

The Influenza Vaccine Security Act will help create a stable flu vaccine market by market forces by increasing coordination between the public and private sectors so that we can set targets and procedures for dealing with both shortages and surpluses before they hit. It will also create a buyback provision so that we can direct late-season surplus vaccine to public health and bioterrorism prevention efforts, instead of having it go to waste. The legislation will increase demand for vaccine by improving education and outreach efforts, to reach historically low rates of influenza vaccination.

Of course, vaccines do us no good if they can’t get to the people who need them, and in past shortages, we had problems matching existing stocks of vaccine to the high priority populations, like senior citizens, who needed vaccines right away. The Influenza Vaccine Security Act also sets up a tracking system so the CDC and state and local health departments can share the information they need to ensure that high priority target populations will have access to vaccines. This tracking system is critical and will provide fundamental infrastructure necessary not only to deal with our annual flu season, but avian or other pandemic outbreaks.

This legislation is supported by Trust for America’s Health, the American Lung Association, the American Public Health Association, the National Association of County and City Health Officials, the American Academy of Pediatrics, the American Academy of Physicians, the American College of Occupational and Environmental Medicine, the Association of American Medical Colleges, the Association of Professionals in Infection Control and Epidemiology, the Allergy & Asthma Network, Mothers of Asthmatics, the Asthma and Allergy Foundation of America, the Center for Biosecurity at the University of Pittsburgh Medical Center, the Center for Infectious Disease Research & Policy, the Immunization Coalition of Washington, DC, and Service Employees International Union.

Mr. President, I ask unanimous consent to have letters of support printed in the RECORD.

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


Hon. HILLARY CLINTON, U.S. Senate, Washington, DC.

Hon. PAT ROBERTS, U.S. Senate, Washington, DC.

DEAR SENATORS CLINTON AND ROBERTS: The undersigned organizations join in thanking you for your leadership in protecting our nation’s health. By introducing the Influenza Vaccine Security Act of 2007, you address one of the most critical issues confronting the public’s health in the United States—the challenge of ensuring an adequate and timely influenza vaccine supply. According to the Centers for Disease Control and Prevention (CDC), the seasonal flu claims as many as 36,000 lives each year and results in more than 200,000 hospitalizations. These numbers could skyrocket in the case of an influenza pandemic.

The introduction of the Influenza Vaccine Security Act is an important step toward improving the U.S. response to outbreaks of seasonal flu. Among its provisions, the legislation provides incentives to manufacturers to enter the U.S. flu vaccine market and expand production capacity, increases funding for vaccine research and development, and increases flu surveillance and outreach, coordination, and education. Also, public health officials must have the flexibility to provide the medication where outbreaks are most severe. Your bill provides the Secretary of Health and Human Services with the ability to prioritize vaccine distribution to high-risk populations and to ensure geographic equity.

In addition to preparation for seasonal flu, the legislation takes important steps to prevent and respond to a severe flu epidemic. We applaud the emphasis on outreach, as the success of widespread seasonal flu vaccines would allow healthcare providers to conduct exercises to prepare for the event of a severe flu pandemic. In addition, the legislation could allow unused vaccines to be redeployed to state and local health departments for mass vaccination exercises which will also be useful in preparation for an influenza pandemic. Finally, we urge you to purchase antiviral medications and N-95 respirator masks and encouraging stockpiling
of pediatric countermeasures will be critical to treating and minimizing the effects of a pandemic influenza outbreak.

Prevention is the key to protecting and saving lives from seasonal flu outbreaks. Again, we want to commend your leadership and thank you for introducing this very important public health bill.

American Academy of Pediatrics; American Academy of Physician Assistants; American College of Occupational and Environmental Medicine; Association of American Medical Colleges; Association for Professionals in Infection Control and Epidemiology; Allergy & Asthma Network Mothers of Asthmatics; Asthma and Allergy Foundation of America; Center for Biosecurity, University of Pittsburgh Medical Center; Center for Infectious Disease Research & Policy; Immunization Coalition of Washington, DC; Service Employees International Union; Trust for America’s Health

Hon. HILLARY CLINTON, U.S. Senate, Washington, DC.
Hon. PAT ROBERTS, U.S. Senate, Washington, DC.

DEAR SENATORS CLINTON AND ROBERTS: On behalf of the American Public Health Association (APHA), the oldest and most diverse organization of public health professionals in the world, dedicated to protecting all Americans, their families and communities from preventable, serious health threats and assuring community-based health promotion and disease prevention activities and prevention health services are universally accessible in the United States, I write to thank you for your attention to and leadership on the important public health issue of influenza. The Influenza Vaccine Security Act is an important step to ensuring that the country has an adequate supply of vaccine for seasonal flu and addresses important issues related to pandemic influenza.

The current legislation contains provisions to increase the production of seasonal influenza vaccine that will improve public health, as well as a provision expanding the current influenza surveillance system. Improved surveillance is not only important for seasonal influenza, but is vital to an early, rapid response to an influenza pandemic. This is the inclusion of a provision directing the Secretary of Health and Human Services to increase the supply of antiviral medications and N-95 respirator masks to ensure sufficient supply for responders and children. In addition, we support the creation of a tracking system for vaccine distribution, with a focus on ensuring the vaccine is distributed to high priority populations. Finally, your legislation would increase outreach and education and improve its coordination, especially the focus on increasing vaccination rates among providers and medically underserved communities. We believe this is a critical step in eliminating disparities in this area.

Thank you again for your leadership on this important public health issue. We look forward to working with you as the Influenza Vaccine Security Act moves through the legislative process. If you or any of your staff need additional information, please contact me or have your staff contact Don Hoppert or Michele Carpenter.

Sincerely, GEORGES C. BENJAMIN, Executive Director.

Hon. HILLARY RODHAM CLINTON, U.S. Senate, Washington, DC.

DEAR SENATOR CLINTON: The American Lung Association strongly supports your Influenza Vaccine Security Act of 2007. Thank you for recognition of prevention in saving lives from annual flu outbreaks. Once enacted into law, this legislation will confront a pressing public health issue in the United States—establishing a continuous and adequate supply of influenza vaccine. It will also allow the United States to take initiative in improving its response to outbreaks, such as accelerated participation in the global influenza pandemic prevention effort.

According to the Centers for Disease Control and Prevention (CDC), the seasonal flu takes the lives of 36,000 people every year. Such alarming numbers can have an effect on the public health of the United States, as well as impact health care costs. The American Lung Association is confronting this issue through our national Faces of Influenza public awareness campaign, which urges Americans to get their annual influenza vaccination. The Lung Association also provides a free, online Flu Clinic Locator, making it easier for the American public to find flu shot clinics in their local area.

The Influenza Vaccine Security Act of 2007 addresses many issues associated with influenza vaccine production. The legislation offers vaccine manufacturers important incentives to enter the U.S. flu vaccine market, expand their production capacity, increase access and affordability, improve infrastructure of public health departments and health care providers in order to improve their ability to report and track influenza vaccine supply, which will help prevent the spread of the disease when supply shortages or disruptions occur.

We also appreciate the inclusion in your bill of demonstration grants to enhance the infrastructure of public health departments and health care providers in order to improve their ability to report and track influenza vaccine supply, which will help prevent the spread of the disease when supply shortages or disruptions occur.

The shortages and maldistribution of influenza vaccine is a critical issue that our nation will undoubtedly face in the future. This legislation would provide important tools to help ensure that individuals who need influenza vaccine are protected in the future. Thank you for your continued support of local public health. The nation’s local health departments look forward to continuing to work with you to safeguard the public health.

Sincerely, PATRICK M. LIBBEY, Executive Director.

By Mr. BINGAMAN (for himself, Mrs. DOLE, Mr. DURBIN, Mrs. FEINSTEIN, Ms. STABENOW, Mr. SALAZAR, Mr. KERRY, Mr. BROWN, Mr. SCHUMER, Mrs. BOXER, Mr. LEVIN, Mr. BAYH, Mr. BURR, Mrs. MARTINEZ, Mrs. CLINTON, Mr. PRYOR, Mr. LEAHY, Mrs. LINCOLN, Mrs. HUTCHISON, Mr. CHAMBILLES, Mr. KERRY, Mr. ISAKSON, and Mr. BOND).

S. 2460. A bill to extend by one year the moratorium on implementation of a rule relating to the Federal-State financial partnership under Medicaid and the State Children’s Health Insurance Program and on finalization of a rule regarding graduate medical education under Medicaid and to include a moratorium on the finalization of the outpatient Medicaid rule making similar changes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today with my colleagues Senators DOLE, DURBIN, FEINSTEIN, STABENOW, SALAZAR, KERRY, BROWN, MCCASKILL, SCHUMER, BOXER, LEVIN, BAYH, BURR, MARTINEZ, CLINTON, PRYOR, LEAHY, LINCOLN, HUTCHISON, CHAMBILLES, ROCKEFELLER, and ISAKSON to introduce legislation vitally important to the ability of our States to continue to fund their Medicaid programs and ensure access to health care services for low-income constituents. The legislation would extend the existing 1 year moratorium for an additional year on a
CMS rule limiting Medicaid payments to public and teaching hospitals as well as the ability of States to fund critical healthcare programs for rural residents such as through Sole Community Hospital programs.

On January 18, 2007, the Centers for Medicare and Medicaid Services, CMS, published a proposed rule entitled “Medicaid Program; Cost Limit for Providers Operated by Units of Government and Provisions to Ensure the Integrity of the Federal-State Financial Partnership” that would make sweeping changes to public and other safety net provider payment and financing arrangements with State Medicaid programs. The proposed rule would: impose a cost limit on Medicaid payments to public and other safety net providers; impose a new Federal definition of public provider status; and, greatly restrict the sources of non-Federal share funding through intergovernmental transfers, IGFs, and certified public health funds.

National advocates report that over 400 comment letters were submitted to CMS on the proposed rule, none of which expressed support for the rule and the overall majority of which called it unfair. In addition, a budget neutral reserve fund to block this regulation was introduced by me and approved by the Senate this year. CMS subsequently issued an additional regulation that would force billions of additional Medicaid payment reductions to teaching hospitals, many of whom are public hospitals, hampering the ability of those providers to provide essential services including the education of the next generation of medical professionals despite a shortage of medical professionals. The proposed regulations would cut at least $5 billion in Medicaid funding for safety net hospitals nationwide over 5 years—thinning their ability to provide care for all our citizens and jeopardizing the health of millions of vulnerable children and families.

In response to these rules, 66 Senators and 283 Members of the House have gone on record in opposition to the rules since they were released earlier this year. This includes a majority of the Finance Committee including Senators: ROBERTS, SNOWE, SMITH, ROCKEFELLER, KERRY, BINGAMAN, SALAZAR, STABENOW, WYDEN, LINCOLN, SCHUMER, and WYDEN.

Furthermore, Congress showed its strong opposition to the rules by including a one-year moratorium in the recent supplemental appropriations bill, P.L. 110-16, which was enacted by Congress and the White House and a deal was reached on May 23. On May 25—the day the President signed the supplemental, and the day before CMS issued its final rule—the administration put the final rule on display and published it in the Federal Register on May 29. The most damaging components of the proposed rule remain in the final rule, including Medicaid cuts limiting public and other safety net providers to cost.

Since then, CMS has issued a third rule of major concern to public and teaching hospitals. On September 28, 2007, CMS released a new proposed rule governing the calculation of the Medicaid outpatient upper payment limit, UPL. Many believe this action was in violation of the current moratorium enacted by Congress. For example, the outpatient regulation would exclude GME costs from the calculation of the Medicaid Outpatient UPL for all hospitals and would also eliminate many ancillary services from the UPL calculation for all-inclusive rate providers.

Major Medicaid reforms require a congressional role. By rushing to publish a final regulation, CMS has disregarded congressional opposition and attempted to usurp Congress’s role. In addition, the status quo is now the administration’s new policy, not what existed when Congress was in the process of enacting the Bush Administration’s action required States to prepare for implementation of the regulation and expend administrative resources to do so—all of this before Congress has the opportunity to address the key policy issues contained in the regulation. I urge my colleagues to join me in supporting this important legislation.

Mr. President, I ask unanimous consent that the text of the bill and letters of support be printed in the RECORD. There being no objection, the material was ordered to printed in the RECORD, as follows:

B. 2609
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. EXTENSION OF MORATORIUM ON IMPLEMENTATION OF RULE RELATING TO THE FEDERAL-STATE FINANCIAL PARTNERSHIP UNDER MEDICAID AND SCHIP AND ON FINALIZATION OF A RULE RELATING TO THE TREATMENT OF GRADUATE MEDICAL EDUCATION PROVIDERS OPERATED BY UNITS OF GOVERNMENT; MORATORIUM ON THE FINALIZATION OF THE OUTPATIENT MEDICAID RULE MAKING SIMILAR CHANGE.

(a) FINDINGS.—Congress makes the following findings:

(1) A proposed rule was published on January 18, 2007, on pages 2236 through 2248 of volume 72, Federal Register, and a rule pertaining to the scope of permissible payments under Medicaid by removing the ability for States to make payments related to graduate medical education.

(2) A proposed rule was published on May 23, 2007, on pages 28930 through 28936 of volume 72, Federal Register (relating to parts 438 and 447 of title 42, Code of Federal Regulations) that would significantly change the scope of permissible payments under Medicaid by removing the ability for States to make payments related to graduate medical education.

(3) Permitting these rules to take effect would drastically alter the Federal-State financial partnership in Medicaid and the State Children’s Health Insurance Programs, undermine the discretion traditionally accorded States, and have a negative impact on States, providers, and beneficiaries in the following manner:

(A) Implementation of the rule regarding the Federal-State financial partnership would force billions of dollars of payment reductions, thus hampering the ability of impacted providers to provide essential services including allowing those providers to be ready and available for emergency situations and to provide care to the increasing numbers of uninsured.

(B) Implementation of the rule regarding graduate medical education would force billions of dollars in payment reductions to teaching hospitals, thus hampering the ability of those providers to provide essential services including the next generation of medical professionals despite a shortage of medical professionals.

(4) By including a one-year moratorium in the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007, Congress intended to forestall administrative action to allow itself time to assess the proposals and consider alternatives that would not negatively impact States, providers, and beneficiaries.

(5) After Congressional approval of the moratorium contained in the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007, the Centers for Medicare & Medicaid Services on May 23, 2007, submitted for publication its final rule, which was not significantly different from the January proposed regulation.

(6) The publication of a final rule in May regarding the Federal-State financial partnership was not anticipated by Congress and undermined the intent of the moratorium passed by Congress.

(7) The publication of a proposed rule in May regarding graduate medical education was not anticipated by Congress and undermined the intent of the moratorium passed by Congress.

(8) A proposed rule was published on September 28, 2007, on pages 25124 through 25186 of volume 72, Federal Register (relating to parts 438 and 447 of title 42, Code of Federal Regulations) that would significantly change the scope of permissible payments under Medicaid by removing the ability for States to make payments related to graduate medical education and dictating methodologies for calculation of the outpatient services upper payment limit.

(9) Congress did not anticipate continued changes after the moratorium to reduce state flexibility to make adequate Medicaid payments.

(10) Expansion and extension of the moratorium is necessary to effectuate Congressional intent.

SECTION 2. EXPANSION OF PROHIBITION.—Section 7002(a)(1) of the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007 (Public Law 110-28) is amended, by—

(1) by striking “1 year” and inserting “2 years”.


(2) by inserting ‘‘or (D)’’ after ‘‘described in subparagraph (A)’’ in subparagraph (B);
(3) by striking ‘‘or’’ at the end of subparagraph (B);
(4) by striking the period at the end of subparagraph (C) and inserting ‘‘; or’’; and
(5) by inserting at the end following ‘‘(D)’’ finalizar o otherwise implement provis-
ions of the proposed rule published in the Federal Register on September 27, 2007, on pages 55158 through 55166 of volume 72, Federal Register (relating to parts 446 and 447 of title 42, Code of Federal Regulations)’’.

U.S. SENATE,

Hon. Michael O. Leavitt,
Secretary, U.S. Department of Health and Human Services, Washington, DC.

Dear Mr. Secretary: We are writing to express our strong opposition to the Med-
icaid changes contained in the Proposed Rule CMS-2358-F, which was issued on January 18, 2007. As you know, bipartisan objections to the changes called for in this proposed rule have been raised by Congress and our na-
tion’s Governors since 2005, We urge you to withdraw the rule immediately.

The Medicaid program is the foundation of our health care safety net. As our nation’s largest insurer, it provides access to mean-
gingful health care services for more than 50 million people. It also keeps hos-
pitals, doctors, nursing homes, and clinics operating in our communities. Without this critical source of funding, many providers would not be able to offer high-
quality health care, especially in rural areas.

Since its enactment in 1965, Medicaid has been a federal-state partnership. The federal government has worked together with the states to ensure health care coverage and ac-
cesses for some of the most vulnerable Americans: children, pregnant women, the elderly and the disabled. This shared responsibility has been paramount, with states implementing the program within broad federal guidelines.

The proposed rule would usurp state flexibilit and fundamentally alter the na-
ture of state funding for the Medicaid pro-
gram. We are particularly concerned with three aspects of the proposed rule: (1) the new definition of a ‘‘unit of government’’; (2) the restrictions placed on states’ ability to fund Medicaid using multicounty instead of derived from tax funds that can be used to finance the state share of Medicaid expenditures. Under the proposed rule, only funding derived from state and local taxes would be allowed to fund the state share. By your agency’s own admission, inappropriate federal matching arrangements have been largely eliminated over the last three years through CMS’ over-
sight activities. Given these activities, it is unclear why the new restriction on public funds is necessary. Further, we believe the overall efforts of CMS to reduce Medicaid fraud and abuse.

Furthermore, this aspect of the proposed rule also seems to contradict federal law. Section 1902(a)(2) of the Social Security Act states that CMS allow states to rely on ‘‘local sources’’ for up to 60 percent of the non-federal share of program expenditures. Current law does not limit the types of local sources that may be used to only those sources derived from tax revenue. Such a policy shift would hamper states’ abilities to fund Medicaid pro-
grams, and we question CMS’ authority to pursue such a far-reaching policy change.

Finally, we request that you withdraw the cost limit imposed on public providers by this proposed rule. Under current regulations, states are permitted to provide Medicaid reim-
bursements to public providers up to the amount that would be payable using Medicare payment policies. The proposed rule would reduce that limit to Medicaid costs for public providers only, with no concurrent change for private providers. Public providers, who disproportion-
ately serve the uninsured, should not be subject to a more restrictive cost limit than private providers. Such a reimbursement policy would have an adverse impact on sys-
tem-wide health care needs, such as trauma care, school-based health care and medical education.

We understand and respect the efforts of CMS to ensure that the Medicaid program is operating on a fiscally sound and responsible basis; however, we believe the proposed rule has gone far beyond what is necessary to se-
cure fiscal integrity. Instead, the proposed rule limits the ability of states to establish subdivisions to suit their needs and best carry out governmental functions. In the case of Medicaid, federal law grants states the authority and flexibility to provide health care through the most efficient and effective methods possible. In most states, this means the state university hospitals, public nursing homes, school-based health centers, and other providers become an es-
sential part of the governmental health care infrastructure. Because many states interpret ‘‘unit of government’’ proposed by this new rule would lead to substantial cuts for public providers and limit access to the vital health care services that millions of Americans depend upon.

Similarly, CMS is also singling out public providers by restricting the type of public funds that can be used to finance the state share of Medicaid expenditures. Under the proposed rule, only funding derived from state and local taxes would be allowed to fund the state share. By your agency’s own admission, inappropriate federal matching arrangements have been largely eliminated over the last three years through CMS’ oversight activities. Given these activities, it is unclear why the new restriction on public funds is necessary. Further, we believe the overall efforts of CMS to reduce Medicaid fraud and abuse.

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that our fighting men and women in Iraq and Afghanistan have the supplies they need.

Today, I am introducing a bill that would send a clear message to the administration that Federal workers are not bargaining chips.

The idea behind this legislation is simple, rather than laying off Federal workers to close a budget shortfall, the Pentagon should suspend contracts for non-essential services. Many service contractors work side-by-side with Federal workers there is no reason that Federal workers should get a pink slip for Christmas while the Pentagon continues to spend millions on contractors.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2462

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

SECTION 1. LIMITATION ON FURLoughs OF EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

(a) DEFINITIONS.—In this Act:

(1) EMPLOYEE.—The term ‘employee’—

(A) has the meaning given under section 7511a(1) of title 5, United States Code; and

(B) includes a member of the Senior Executive Service.

(2) FURLough.—The term ‘furlough’—

(A) has the meaning given under section 7511a(5) of title 5, United States Code; and

(B) with respect to a member of the Senior Executive Service, has the meaning given under section 3955(a) of title 5, United States Code.

(b) LIMITATION ON FURLoughs.—Before the Secretary of Defense may furlough employes of the Department of Defense on the basis of a lack of funds, the Secretary shall suspend all nonessential service employes entered into by the Department of Defense as are necessary to make up for the lack of funds.

(c) TRANSFER OF FUNDS.—The Secretary of Defense shall transfer an amount equal to the expenses of employees.

(d) USE OF TRANSFERRED FUNDS.—Amounts transferred pursuant to subparagraph (c) may be used for the salaries and expenses of employees.

(e) EFFECTIVE DATE.—This Act shall apply with respect to fiscal year 2008.

Mr. BUNNING, Ms. SNOWE, Mr. DOMENICI, Mr. MARTINEZ, Mr. ENSIGN, Mr. COLEMAN, Mr. VITTER, Mr. HAGEL, Mr. SHELBY, Mr. THUNE, Mr. BENNETT, Mr. CRAPO, Mr. CRAIG, Mr. KYL, Mr. SESSIONS, and Mrs. SCHRADER) submitted the following resolution, which was referred to the Committee on the Judiciary:

S. Res. 402

Whereas Representative Henry John Hyde of Illinois was born in Chicago, Cook County, Illinois, on April 8, 1927; and

Whereas Henry Hyde excelled as a student both at Georgetown University, at which he helped take the Hoyas basketball team to the National Catholic Association National Seminaries, its representatives from the 104th through 106th Congresses, over 3 decades from January 3, 1975, to January 3, 2007; and

Whereas Henry Hyde served as the Ranking Member of the Select Committee on Intelligence of the House of Representatives from 1965 to 1991, in the 99th through 101st Congresses, and as chairman of the Committee on the Judiciary of the House of Representatives, over 3 decades from the 104th through 106th Congresses and the Committee on International Relations from the 107th through 109th Congresses;

Whereas, in his capacity as a United States Representative, Henry Hyde tirelessly served as a champion for children, both born and unborn, and relentlessly defended the rule of law;

Whereas Henry Hyde demonstrated his commitment to the rule of law during his tenure in the House of Representatives, once again stating, ‘The problem is not how we use the Constitution, but the Constitution is a civic textbook. The rule of law is what stands between us and the arbitrary exercise of power by the state. The rule of law is the safeguard to our liberties. The rule of law is what allows us to live our freedom in ways that honor the freedom of others while strengthening the common good. . . If across the river in Arlington Cemetery there are American heroes who died in defense of the rule of law, can we give less than the full measure of our devotion to that great cause?’;

Whereas Henry Hyde was a key player in some of the highest level debates concerning the response to the terrorist attacks on our Nation on September 11, 2001;

Whereas Henry Hyde received the Presidential Medal of Freedom, the Nation’s highest civilian honor, on November 5, 2007, at a ceremony at which our President George W. Bush explained about Representative Hyde, ‘He used his persuasive powers for noble causes. He stood for a strong and purposeful America in freedom’s advance, and firm in freedom’s defense. He stood for limited, accountable government, and the equality of every person before the law. He was a gallant guardian of the weak and forgotten, and a fearless defender of life in all its seasons’;

Whereas Henry Hyde’s greatest legacy is as the author, during his freshman term in the House of Representatives, of an amendment to the 1976 Departments of Labor and Health, Education, and Welfare Appropriations Act—commonly referred to as the Hyde Amendment—that prohibits Federal dollars from being used to pay for the abortion of unborn babies, which conservative estimates estimate has saved at least 1,000,000 lives;

Whereas Henry Hyde lived by the belief that we will all be judged by our Creator in the ultimate test for our actions on Earth, which he once explained on the floor of the House of Representatives by saying, ‘Our moment in history is marked by a mortal conflict between the forces of freedom and the forces of darkness. God put us in the world to do noble things, to love and to cherish our fellow human beings, not to destroy them. Today we must choose sides’;

Whereas Henry Hyde selflessly battled for the causes that formed the core of his beliefs until the end of his life, and was greatly respected by his friends and adversaries alike for his dedication and will remain a role model for advocates of those causes by virtue of his conviction, passion, wisdom, and character; and

Whereas Henry Hyde was preceded in death by his first wife, Jeanne, and his son Hank, and is survived by his second wife, Judy, his sons Robert and Anthony and daughter Laura, 3 stepchildren, Susan, Mitch, and Stephen, 7 grandchildren, and 7 step-grandchildren; Now, therefore, be it

Resolved, That the Senate—

(1) notes with deep sorrow the death of Henry John Hyde on November 29, 2007, in Chicago;

(2) extends its heartfelt sympathy to the family of Henry Hyde;

(3) recognizes the life of service and the outstanding contributions of Henry Hyde; and

(4) directs the Secretary of the Senate to transmit a copy of this resolution to the family of Henry Hyde.

Mr. GRASSLEY. Mr. President, today, I am introducing a Senate resolution to honor the life and work of Congressman Henry John Hyde of Illinois. I authored this resolution because I knew Henry Hyde for over 20 years. In fact, he and I were 2 of 16 Republicans who were first elected to the House of Representatives in 1974.

Congressman Hyde was a true leader in the House of Representatives. He proved his leadership by authoring the ‘Hyde Amendment’ to help protect the lives of unborn children. Because of this long-standing policy, innocent lives have been saved and taxpayers have not been forced to fund abortions.

Henry Hyde was intelligent, as was proved during his tenure as chairman of two different committees—the House Committee on the Judiciary and the House Committee on International Relations. In his 32 years in the House of Representatives, he was dedicated to the rule of law as well as the expansion of freedom around the world.

He was a great Representative for the people of his district, and he leaves an important legacy for our Nation. It is with great respect that I introduce this resolution in his honor.
SA 3832. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 543, to improve Medicare beneficiary access by extending the 60 percent compliance threshold used to determine whether a hospital or unit of a hospital is an inpatient rehabilitation facility under the Medicare program; which was referred to the Committee on Finance; as follows:

On page 1, strike lines 3 through 5 and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Tim Johnson Inpatient Rehabilitation Preservation Act of 2007”.

SA 3833. Mr. DEMINT submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

SA 3841. Mr. REID proposed an amendment to amendment SA 3491 proposed by Mr. Reid to the bill H.R. 6, supra.

SA 3842. Mr. MENENDEZ submitted an amendment in the nature of a motion to amend the bill by strike lines 3 through 5 and insert the following:

SEC. 5. ROLE OF FEDERAL LABOR RELATIONS AUTHORITY.

(a) In general.—Not later than 1 year after the date of enactment of this subtitle, the Authority shall issue regulations in accordance with the rights and responsibilities described in section 1(b) establishing collective bargaining procedures for employers and public safety officers in States which the Authority has determined, acting pursuant to section 1(a), do not substantially provide for such rights and responsibilities.

(b) The extent to which the Authority determines the appropriateness of units for labor organization representation;
sacrificing other lawsuits. Against any public service officer, it is lawful to enforce an order of a court in the exercise of any other power given by law. Thus, the law enforcement officer’s right to bargain collectively with an employer for the purpose of mutual agreement concerning wages, hours, and other conditions of employment is not affected by this provision.

In the context of disputes between law enforcement officers and employers, certain protections are provided to officers. These protections include the right to discharge an officer only for cause, and the right to return to the same or equivalent position after suspension for cause. Moreover, the law ensures that a law enforcement officer shall be afforded all legal and constitutional rights and safeguards available to an employee in similar circumstances.

The protections available to law enforcement officers are designed to ensure that they are not subject to unfair or discriminatory employment practices. The law further provides that a law enforcement officer who is discharged for cause may be reinstated to the same or an equivalent position, and that any employee who is injured in the course of employment shall be entitled to compensation for such injury.

In summary, the law outlined in the House of Representatives generally aims to establish a framework for the lawful employment and discharge of law enforcement officers, and to provide a mechanism for resolving disputes between officers and their employers. It seeks to ensure that officers are treated fairly and justly, and that their rights as employees are protected.
employer may receive damages relating to the strike, slowdown, or other employment action described in subparagraph (A), and that joint and several liability shall apply.

(b) Unfair Labor Practices Notwithstanding the Act entitled ‘‘An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, or for other purposes’’, approved March 23, 1932 (commonly known as the ‘‘Norris-LaGuardia Act’’), or any other provision of law, no Federal law that restricts the issuance of injunctions or restraining orders in labor disputes shall apply to labor disputes involving public safety officers covered under this subtitle.

(c) Allocation of Jurisdiction Notwithstanding any other provision of law, the provisions of this section shall apply to all States.

SA 3837. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREFF) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 8 of the amendment, insert the following:

SEC. 8A. GUARANTEEING PUBLIC SAFETY AND LOCAL CONTROL OF TAXES

Notwithstanding any State law or regulation issued under section 5 of this subtitle, no collective-bargaining obligation may be imposed on any political subdivision or any public employer, and no contractual provision may be imposed on any political subdivision or public safety employer, if either the principal administrative officer of such public safety employer, or the chief elected official of such political subdivision certifies that the obligation, or any provision would be contrary to the best interests of public safety; or would result in any increase in local taxes, or would result in any decrease in the level of public safety or other municipal services.

SA 3838. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREFF) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

In section 2(b) of the amendment, insert before paragraph (1) the following and redesignate accordingly:

(A) EXEMPTION.—Notwithstanding any other provision of this subtitle, a governor or the legislative body of a State, or a mayor or other chief elected official or authority or the legislative body of a political subdivision, may exempt from the requirements established under this subtitle or otherwise any group of public safety officers whose job function is similar to the job function performed by any group of Federal employees that is excluded from collective bargaining under this Executive Order.

(B) TREATMENT OF CERTAIN EMPLOYERS.—Notwithstanding any provision of State law, supervisory, managerial, and confidential employees employed by public safety employers shall be treated in the same manner for purposes of collective-bargaining as individuals employed in the same capacity by any employer covered under the provisions of the National Labor Relations Act (29 U.S.C. 151 et seq.).

(C) RULES OR CONSTRUCTION.—Notwithstanding any provision of this subtitle, nothing in this subtitle shall be construed to require mandatory bargaining except to the extent required by the State, and the subjects, that mandatory bargaining is required between the Federal Government and any of its public safety employees.

SA 3839. Mr. ENZI (for himself and Mr. ISAKSON) submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREFF) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 6 of the amendment and insert the following:

SEC. 6. STRIKES AND LOCKOUTS PROHIBITED.

Notwithstanding any rights or responsibilities provided under State law or pursuant to any contractual provision, if after section 5 of this subtitle, a labor organization may not call, encourage, condone, or fail to take all actions necessary to prevent or end, and a public safety employee may not engage in any strike, slowdown, or other job action or concerted, full or partial refusal to work against any public sector employer. A public safety employer may not engage in a lockout of public safety officers.

SA 3840. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREFF) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 8 of the amendment, insert the following:

SEC. 8A. NONAPPLICATION OF PROVISIONS.

Notwithstanding any State law or regulation issued under section 5 of this subtitle, the rights and responsibilities set forth in section 4(b) of this subtitle shall not apply to any political subdivision of any State having a population of less than 75,000, or that employs fewer than 150 uniformed public safety officers.

SA 3841. Mr. REID proposed an amendment to the bill H.R. 6, to move the United States toward greater energy independence and security, to increase the production of clean renewable fuels, to protect consumers from price gouging, to increase the energy efficiency of products, buildings, and vehicles, to promote research on and deploy greenhouse gas capture and storage options, and to improve the energy performance of the Federal Government, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION I.—ENERGY SECURITY THROUGH IMPROVED VEHICLE FUEL ECONOMY

Subtitle A—Increased Corporate Average Fuel Economy Standards

Sec. 101. Short title.

Sec. 102. Average fuel economy standards for automobiles and certain other vehicles.

Sec. 103. Definitions.

Sec. 104. Credit-priming program.

Sec. 105. Consumer information.

Sec. 106. Continued applicability of existing standards.


Sec. 108. National Academy of Sciences study of medium-duty and heavy-duty truck fuel economy.

Sec. 109. Extension of fuels for vehicle credit program.

Sec. 110. Periodic review of accuracy of fuel economy labeling procedures.

Sec. 111. Consumer tire information.

Sec. 112. Use of civil penalties for research and development.

Sec. 113. Exemption from separate calculation requirement.

Subtitle B—Improved Vehicle Technology

Sec. 131. Transportation electrification.

Sec. 132. Domestic manufacturing conversion grant program.


Sec. 134. Loan guarantees for fuel-efficient automobile parts manufacturers.

Sec. 135. Advanced battery loan guarantee program.

Sec. 136. Advanced technology vehicles manufacturing incentive program.

Subtitle C—Federal Vehicle Fleets

Sec. 141. Federal vehicle fleets.

Sec. 142. Federal fleet conservation requirement.

TITLE II.—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS

Subtitle A—Renewable Fuel Standard

Sec. 201. Definitions.


Sec. 203. Study of impact of Renewable Fuel Standard.

Sec. 204. Environmental and resource conservation impacts.

Sec. 205. Biomass based diesel and biodiesel labeling.

Sec. 206. Study of credits for use of renewable electricity in electric vehicles.

Sec. 207. Grants for production of advanced biofuels.

Sec. 208. Integrated consideration of water quality in determinations on fuels and fuel additives.

Sec. 209. Anti-backsliding.


Subtitle B—Biofuels Research and Development

Sec. 221. Biodiesel.
Sec. 222. Biogas.
Sec. 223. Grants for biofuel production research and development in certain States.
Sec. 224. Biorefinery energy efficiency.
Sec. 225. Study of optimization of flexible fueled vehicles to use E-85 fuel.
Sec. 226. Study of engine durability and performance associated with the use of biodiesel.
Sec. 227. Study of optimization of biogas used in natural gas vehicles.
Sec. 228. Algal biomass.
Sec. 229. Biofuels and biorefinery information center.
Sec. 230. Cellulosic ethanol and biofuels research.
Sec. 231. Bioenergy research and development, authorization of appropriation.
Sec. 232. Environmental research and development.
Sec. 233. Bioenergy research centers.
Sec. 234. University based research and development grant program.
Subtitle C—Biofuels Infrastructure
Sec. 241. Prohibition on franchise agreement restrictions related to renewable fuel infrastructure.
Sec. 242. Renewable fuel dispenser requirements.
Sec. 243. Ethanol pipeline feasibility study.
Sec. 244. Renewable fuel infrastructure grants.
Sec. 245. Study of the adequacy of transportation of domestically-produced renewable fuel by railroads and other modes of transportation.
Sec. 246. Federal fleet fueling centers.
Sec. 247. Standard specifications for biodiesel.
Sec. 248. Biofuels distribution and advanced biofuels infrastructure.
Subtitle D—Environmental Safeguards
Sec. 251. Waiver for fuel or fuel additives.
TITLE III—ENERGY SAVINGS THROUGH IMPROVED STANDARDS FOR APPLIANCE AND LIGHTING
Subtitle A—Appliance Energy Efficiency
Sec. 301. External power supply efficiency standards.
Sec. 302. Updating appliance test procedures.
Sec. 303. Residential boilers.
Sec. 304. Furnace fan standard process.
Sec. 305. Improving schedule for standards updating and clarifying State authority.
Sec. 306. Regional standards for furnaces, central air conditioners, and heat pumps.
Sec. 307. Procedure for prescribing new or amended standards.
Sec. 308. Expedited rulemakings.
Sec. 309. Battery chargers.
Sec. 310. Standby mode.
Sec. 311. Energy standards for home appliances.
Sec. 312. Walk-in coolers and walk-in freezers.
Sec. 313. Electric motor efficiency standards.
Sec. 314. Standards for single package vertical air conditioners and heat pumps.
Sec. 315. Improved energy efficiency for appliances and buildings in cold climates.
Sec. 316. Technical corrections.
Subtitle B—Lighting Energy Efficiency
Sec. 321. Efficient light bulbs.
Sec. 322. Incandescent lighting efficiency standards.
Sec. 323. Public building energy efficient and renewable energy systems.
Sec. 324. Metal halide lamp fixtures.
Sec. 325. Energy efficiency labeling for consumer electronic products.
TITLE IV—ENERGY SAVINGS IN BUILDINGS AND INDUSTRY
Sec. 401. Definitions.
Subtitle A—Residential Building Efficiency
Sec. 411. Reauthorization of weatherization assistance program.
Sec. 412. Study of renewable energy rebate programs.
Sec. 413. Energy code improvements applicable to manufactured housing.
Subtitle B—High-Performance Commercial Buildings
Sec. 421. Commercial high-performance green buildings.
Sec. 423. Public outreach.
Subtitle C—High-Performance Federal buildings
Sec. 431. Energy reduction goals for Federal buildings.
Sec. 432. Management of energy and water efficiency in Federal buildings.
Sec. 433. Federal building energy efficiency performance standards.
Sec. 434. Management of Federal building efficiency.
Sec. 435. Leasing.
Sec. 437. Federal green building performance.
Sec. 438. Storm water runoff requirements for Federal development projects.
Sec. 439. Cost-effective technology acceleration program.
Sec. 440. Authorization of appropriations.
Sec. 441. Public building lifecycle costs.
Subtitle D—Industrial Energy Efficiency
Sec. 451. Industrial energy efficiency.
Sec. 452. Energy-intensive industries program.
Sec. 453. Energy efficiency for data center buildings.
Subtitle E—Healthy High-Performance Schools
Sec. 461. Healthy high-performance schools.
Sec. 462. Study on indoor environmental quality in schools.
Subtitle F—Institutional Entities
Sec. 471. Energy sustainability and efficiency grants and loans for institutions.
Subtitle G—Public and Assisted Housing
Sec. 481. Application of International Energy Conservation Code to public and assisted housing.
Subtitle H—General Provisions
Sec. 491. Demonstration project.
Sec. 492. Reauthorization and development.
Sec. 493. Environmental Protection Agency demonstration grant program for local governments.
Sec. 494. Green Building Advisory Committee.
Sec. 495. Advisory Committee on Energy Efficiency Finance.
TITLE V—ENERGY SAVINGS IN GOVERNMENT AND PUBLIC INSTITUTIONS
Subtitle A—United States Capitol Complex
Sec. 501. Capitol complex photo voltaic roof feasibility studies.
Sec. 503. Energy and environmental measures in Capitol complex master plan.
Sec. 504. Promoting maximum efficiency in operation of Capitol power plant.
Subtitle B—Geothermal Energy
Sec. 511. Short title.
Sec. 512. Definitions.
Sec. 513. Hydrothermal research and development.
Sec. 514. General geothermal systems research and development.
Sec. 515. Enhanced geothermal systems research.
Sec. 516. Geothermal energy production from oil and gas fields and recovery and production of geopressed gas resources.
Sec. 1510. Extension of temporary increase in coal excise tax.

Sec. 1511. Carbon audit of the tax code.

Subtitle B—Transportation and Domestic Security

PART I—BIOFUELS

Sec. 1521. Credit for production of cellulosic biomass alcohol.

Sec. 1522. Expansion of special allowance to cellulosic biomass alcohol fuel plant property.

Sec. 1523. Modification of alcohol credit.

Sec. 1524. Extension and modification of credits for biodiesel and renewable diesel.

Sec. 1525. Clarification of eligibility for renewable diesel credit.

Sec. 1526. Provisions clarifying treatment of fuels with no nexus to the United States.

Sec. 1527. Comprehensive study of biofuels.

PART II—ADVANCED TECHNOLOGY MOTOR VEHICLES

Sec. 1528. Credit for new qualified plug-in electric drive motor vehicles.

Sec. 1529. Exclusion from heavy truck tax for idling reduction units and advanced insulation.

PART III—OTHER TRANSPORTATION PROVISIONS

Sec. 1530. Restructuring of New York Liberty Zone tax credits.

Sec. 1531. Extension of transportation fringe benefits to bicycle commuters.

Sec. 1532. Extension and modification of election to expense certain reforestation costs.


Sec. 1534. Comprehensive study of biofuels.

PART IV—CONSERVATION TAX CREDIT BONDS

Sec. 1541. Qualified energy conservation bonds.

Sec. 1542. Qualified forestry conservation bonds.

PART V—EFFICIENCY

Sec. 1543. Extension and modification of energy efficient existing homes credit.

Sec. 1544. Extension and modification of energy efficient commercial buildings deduction.

Sec. 1545. Modifications of energy efficient appliance credit for appliances produced after 2007.

Sec. 1546. Seven-year applicable recovery period for qualification of credited energy management devices.

Subtitle D—Other Provisions

PART I—FORESTRY PROVISIONS

Sec. 1551. Deduction for qualified timber gain.

Sec. 1552. Excise tax not applicable to section 1239 deduction of real estate investment trusts.

Sec. 1553. Timber REIT modernization.

Sec. 1554. Mineral royalty income qualifying income for timber REITs.

Sec. 1555. Modification of taxable timber REIT subsidiary asset test for timber REITs.

Sec. 1556. Safe harbor for timber property.

PART II—EXXON VALDEZ

Sec. 1557. Income averaging for amounts received in connection with the Exxon Valdez litigation.

PART III—EXPANDED TRANSMISSION FACILITIES

Sec. 1558. Tax-exempt financing of certain electric transmission facilities.

Subtitle E—Revenue Provisions

Sec. 1561. Denial of deduction for major integrated oil companies for contributions to domestic production of oil, gas, or primary products thereof.

Sec. 1562. Elimination of the different treatment of foreign oil and gas extraction income and foreign oil related income for purposes of the income tax.

Sec. 1563. Seven-year amortization of geological and geophysical expenditures for certain major integrated oil companies.

Sec. 1564. Broker reporting of customer’s basis in securities transactions.

Sec. 1565. Extension of additional 0.2 percent FUTA surtax.

Sec. 1566. Repeal of suspension of certain penalties and interest.

Sec. 1567. Temporary suspension of corporate estimated tax payments.

Sec. 1568. Modification of penalty for failure to file partnership returns.

Subtitle F—Secure Rural Schools

Sec. 1571. Secure rural schools and community self-determination program.

TITLE XVI—EFFECTIVE DATE

Sec. 1601. Effective date.

SEC. 2. DEFINITIONS.

In this Act:

(1) DEPARTMENT.—The term "Department" means the Department of Energy.

(2) INSTITUTION OF HIGHER EDUCATION.—The term "Institution of Higher Education" has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(3) SECRETARY.—The term "Secretary" means the Secretary of Energy.

SEC. 3. RELATIONSHIP TO OTHER LAW.

Except to the extent expressly provided in this Act, no amendment made by this Act, nothing in this Act or an amendment made by this Act supersedes, limits the authority provided or responsibility conferred by, or anything in or under this Act, nothing in this Act or an amendment made by this Act supersedes, limits the authority provided or responsibility conferred by, or anything in or under this Act.

SEC. 4. IMPLEMENTATION.

(a) In General.—In this section, the term "Secretary" means the Secretary of Energy.

(b) Authority of the Secretary.—The Secretary shall prescribe annual fuel economy standards that, in connection with the average fuel economy standard for passenger automobiles and non-passenger automobiles, shall be the greater of

(1) 7.5 miles per gallon; or

(2) 92 percent of the average fuel economy projected by the Secretary for the combined domestic and non-domestic passenger automobile fleets manufactured for sale in the United States by all manufacturers in the model year, which projection shall be published in the Federal Register when the Secretary determines that model year.

(c) Effective Date.—This section shall take effect on the date of the enactment of this Act.

SEC. 5. RULES OF CONSTRUCTION.

(a) Rules of Construction.—In this section, the terms "transportation" and "motor vehicle" have the meanings given the terms under the Motor Vehicle Information and Cost Savings Act.

(b) Referenced Provisions.—This section shall be implemented in accordance with section 1505 of title 49, United States Code, as amended by this Act.

(c) Authority of the Secretary.—The Secretary shall prescribe annual fuel economy standards for passenger and non-passenger automobiles based on 1 or more vehicle attributes related to fuel economy and express each standard in the form of a mathematical function; and

(d) Establishment of Average Fuel Economy Standards for Model Year 2021 and Subsequent Model Years.

(1) In General.—For model year 2021 and subsequent model years, the Secretary shall prescribe annual fuel economy standards that increase the applicable average fuel economy standard rateably beginning with model year 2021 and ending with model year 2025.

(2) Authority of the Secretary.—The Secretary shall—

(A) prescribe by regulation separate average fuel economy standards for passenger and non-passenger automobiles based on 1 or more vehicle attributes related to fuel economy and express each standard in the form of a mathematical function; and

(B) require that the standards for model years 2026 through 2030 be at least 7.5 miles per gallon; and

(C) prescribe annual fuel economy standards that, in connection with the average fuel economy standard for passenger and non-passenger automobiles projected by the Secretary for the combined domestic and non-domestic passenger automobile fleets manufactured for sale in the United States by all manufacturers in the model year, which projection shall be published in the Federal Register when the Secretary determines that model year.

(d) Effective Date.—This section shall take effect on the date of the enactment of this Act.
among other things, the work performed by work trucks and types of operations in which they are used;

(3) the range of factors, including, without limitation, design, functionality, use, maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(3) LEAD-TIME; REGULATORY STABILITY.—
The first commercial medium- and heavy-duty on-highway vehicle fuel efficiency regulatory program adopted pursuant to this subsection shall provide not less than—

(A) 4 full model years of regulatory lead-time; and

(B) 3 full model years of regulatory stability.

SEC. 104. CREDIT TRADING PROGRAM.

(a) IN GENERAL.—Section 32903 of title 49, United States Code, is amended—

(3) by redesignating paragraphs (16) through (18) of paragraphs (6) through (17), respectively;

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

(4) commercial medium- and heavy-duty on-highway vehicle means an on-highway vehicle with a gross vehicle weight rating of 10,000 pounds or more;

(6) by redesignating paragraphs (7) through (16) of paragraph (17), as redesignated, by striking—

(2) such section by prescribing at least 18 months before the model year to which it applies. The Department of Homeland Security, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall examine the fuel efficiency of commercial medium- and heavy-duty on-highway vehicles and determine—

(A) the appropriate test procedures and methodologies for measuring the fuel efficiency of such vehicles;

(B) such other factors and conditions that could have an impact on a program to improve commercial medium- and heavy-duty on-highway vehicle fuel efficiency and enforcement protocols that are appropriate, cost-effective, and technologically feasible for commercial medium- and heavy-duty on-highway vehicles. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(b) RULEMAKING.—Not later than 24 months after completion of the study required under paragraph (1), the Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, by regulation, shall determine in a rulemaking proceeding how to implement a work truck fuel efficiency improvement program designed to achieve the maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(3) LEAD-TIME; REGULATORY STABILITY.—
The first commercial medium- and heavy-duty on-highway vehicle fuel efficiency regulatory program adopted pursuant to this subsection shall provide not less than—

(A) 4 full model years of regulatory lead-time; and

(B) 3 full model years of regulatory stability.

The Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall examine the fuel efficiency of commercial medium- and heavy-duty on-highway vehicles and determine—

(A) the appropriate test procedures and methodologies for measuring the fuel efficiency of such vehicles;

(B) such other factors and conditions that could have an impact on a program to improve commercial medium- and heavy-duty on-highway vehicle fuel efficiency and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(b) RULEMAKING.—Not later than 24 months after completion of the study required under paragraph (1), the Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, by regulation, shall determine in a rulemaking proceeding how to implement a work truck fuel efficiency improvement program designed to achieve the maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.
December 12, 2007

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(2) SEPARATE CALCULATIONS.—Section 32904(b)(1)(B) is amended by striking “chapter,” and inserting “chapter, except for the purposes of section 32903.”

SEC. 106. CONTINUED APPLICABILITY OF EXISTING STANDARDS.

Nothing in this subtitle, or the amendments made by this subtitle, shall be construed to affect the application of section 32302 of title 49, United States Code, to passenger cars and light-duty trucks manufactured before model year 2011.

SEC. 107. NATIONAL ACADEMY OF SCIENCES STUDIES.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Transportation shall execute an agreement with the National Academy of Sciences to develop a report evaluating vehicle fuel economy standards, including—

(1) an assessment of automotive technologies and costs to reflect developments since the Academy’s 2002 report evaluating the corporate average fuel economy standards was completed,

(2) an analysis of existing and potential technologies that may be used practically to improve medium-duty and heavy-duty truck fuel economy;

(3) an analysis of how such technologies may be practically integrated into the automotive and medium-duty and heavy-duty truck manufacturing process; and

(4) an assessment of how such technologies may be used to meet the new fuel economy standards under chapter 329 of title 49, United States Code, as amended by this subtitle.

(b) REPORT.—The Academy shall submit the report to the Secretary, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Energy and Commerce of the House of Representa
tives, with its findings and recommendations not later than 5 years after the date on which the Secretary executes the agreement with the Academy.

(c) QUINQUENAL UPDATES.—After submitting the initial report, the Academy shall update the report at 5 year intervals thereafter through 2025.

SEC. 108. NATIONAL ACADEMY OF SCIENCES STUDY OF MEDIUM-DUTY AND HEAVY-DUTY TRUCK FUEL ECONOMY.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Transportation shall execute an agreement with the National Academy of Sciences to develop a report evaluating medium-duty and heavy-duty truck fuel economy standards, including—

(1) an assessment of technologies and costs to evaluate fuel economy for medium-duty and heavy-duty trucks;

(2) an analysis of existing and potential technologies that may be used practically to improve medium-duty and heavy-duty truck fuel economy;

(3) an analysis of how such technologies may be practically integrated into the medium-duty and heavy-duty truck manufacturing process;

(4) an assessment of how such technologies may be used to meet fuel economy standards to be prescribed under section 32903(i) of title 49, United States Code, as amended by this subtitle; and

(5) associated costs and other impacts on the operation of medium-duty and heavy-duty trucks, including congestion.

(b) REPORT.—The Academy shall submit the report to the Secretary, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Energy and Commerce of the House of Representa
tives, with its findings and recommendations not later than 1 year after the date on which the Secretary executes the agreement with the Academy.

SEC. 109. EXTENSION OF FLEXIBLE FUEL VEHICLE CREDIT PROGRAM.

(a) IN GENERAL.—Chapter 325 of title 49, United States Code, is amended—

(1) by striking “the Secretary,” and inserting “the Administrator for each model of dual fueled automobiles the fuel economy when the automobiles are operated on gasoline or diesel fuel,”;

(2) by striking subsection (d), by striking “32905(e) the number equal to what the manufac
turer’s average fuel economy would be if fuel were calculated by the formula under sec
tion 32905(a)(1) as the determinator for each model of dual fueled automobiles the fuel economy when the automobiles are operated on gasoline or diesel fuel,”;

(b) CONFORMING AMENDMENTS.—Section 32905 of title 49, United States Code, is amended—

(1) in subsection (b), by striking “1993–2010,” and inserting “1993 through 2019,”;


(c) EXEMPTION—Beginning in December, 2009, and not less often than every 5 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Transportation, shall, after notice and oppor
tunity for comment, promulgate rules establish
ing an exemption from the fuel economy standards that would apply to the production of alternative fuel vehicles after 2009.

SEC. 110. PERIODIC REVIEW OF ACCURACY OF FUEL ECONOMY LABELING PROCEDURES.

Beginning in December, 2009, and not less often than every 5 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Transportation shall—

(1) reevaluate the fuel economy labeling procedures described in the final rule published in the Federal Register on December 28, 2006 (71 Fed. Reg. 77,872; 49 C.F.R. parts 600 and 601) to determine whether changes in the factors used to establish the labeling proce
dures are warranted; and

(2) submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representa
tives that describes the results of the re
evaluation process.

SEC. 111. CONSUMER TIRE INFORMATION.

(a) IN GENERAL.—Chapter 323 of title 49, United States Code, is amended by inserting after section 32304 the following:

‘‘§ 32304A. Consumer tire information’'

(a) RULEMAKING.—

(1) IN GENERAL.—Not later than 24 months after the date of enactment of the Ten-in-Ten Fuel Economy Act, the Secretary of Transportation shall, after notice and oppor
tunity for comment, promulgate rules establish
ing national tire fuel efficiency con
sumer information program for replacement tires designed for use on motor vehicles to
education consumers about the effect of tires on automobile fuel efficiency, safety, and durability.

(2) ITEMS INCLUDED IN RULE.—The rule-making will include:

"(A) a national tire fuel efficiency rating system for motor vehicle replacement tires to assist consumers in making more educated decisions;

"(B) requirements for providing information to consumers, including information at the point of sale and other potential information dissemination methods, including the Internet;

"(C) specifications for test methods for manufacturers to use in assessing and rating tires in comparison among test equipment and manufacturers; and

"(D) a national tire maintenance education program including, information on tire inflation pressure, alignment, rotation, and tread wear to maximize fuel efficiency, safety, and durability of replacement tires.

(3) APPLICABILITY.—This section shall apply only to replacement tires covered under section 575.10(c) of title 49, Code of Federal Regulations, in effect on the date of the enactment of the Ten-in-Ten Fuel Economy Act.

"(b) CONSULTATION.—The Secretary shall consult with the Secretary of Energy and the Administrator of the Environmental Protection Agency on the means of conveying tire fuel efficiency consumer information.

"(c) REPORT TO CONGRESS.—The Secretary shall conduct periodic assessments of the rules promulgated under this section to determine the utility of such rules to consumers, the level of cooperation by industry, and the contribution to national goals pertaining to energy consumption. The Secretary shall transmit periodic reports detailing the results of such assessments to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce.

"(d) TIRE MARKING.—The Secretary shall not require permanent labeling of any kind on a tire for the purpose of tire fuel efficiency information.

"(e) APPLICATION WITH STATE AND LOCAL LAWS AND REGULATIONS.—Nothing in this section shall be construed to preclude a State or political subdivision thereof from enforcing a law or regulation on tire fuel efficiency consumer information, the level of cooperation by industry, and the contribution to national goals pertaining to energy consumption. The Secretary shall transmit periodic reports detailing the results of such assessments to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce.

"(f) DURABILITY.—The Secretary shall not require permanent labeling of any kind on a tire for the purpose of tire fuel efficiency information.

"(g) APPLICATION WITH STATE AND LOCAL LAWS AND REGULATIONS.—Nothing in this section shall be construed to preclude a State or political subdivision thereof from enforcing a law or regulation on tire fuel efficiency consumer information, the level of cooperation by industry, and the contribution to national goals pertaining to energy consumption. The Secretary shall transmit periodic reports detailing the results of such assessments to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce.

"(h) TIRE MARKING.—The Secretary shall not require permanent labeling of any kind on a tire for the purpose of tire fuel efficiency information.

"(i) APPLICATION WITH STATE AND LOCAL LAWS AND REGULATIONS.—Nothing in this section shall be construed to preclude a State or political subdivision thereof from enforcing a law or regulation on tire fuel efficiency consumer information, the level of cooperation by industry, and the contribution to national goals pertaining to energy consumption. The Secretary shall transmit periodic reports detailing the results of such assessments to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce.

"(j) DURABILITY.—The Secretary shall not require permanent labeling of any kind on a tire for the purpose of tire fuel efficiency information.

"(k) APPLICATION WITH STATE AND LOCAL LAWS AND REGULATIONS.—Nothing in this section shall be construed to preclude a State or political subdivision thereof from enforcing a law or regulation on tire fuel efficiency consumer information, the level of cooperation by industry, and the contribution to national goals pertaining to energy consumption. The Secretary shall transmit periodic reports detailing the results of such assessments to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce.

"(l) TIRE MARKING.—The Secretary shall not require permanent labeling of any kind on a tire for the purpose of tire fuel efficiency information.
of fiscal years 2008 through 2012, of which not less than 1/3 of the total amount appropriated shall be available each fiscal year to make grants to local and municipal governments.

(c) IMPACT ASSISTANCE TRANSPORTATION ELECTRICITY PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Transportation and the Administrator, shall establish a program to provide grants for the conduct of qualified electric transportation projects.

(2) EDUCATION PROGRAM.—

(a) IN GENERAL.—The Secretary shall develop a nationwide electric drive transportation technology education program under which the Secretary shall provide—

(A) teaching materials to secondary schools and high schools; and

(B) assistance for programs relating to electric drive and component engineering to institutions of higher education.

(b) ELECTRIC VEHICLE COMPETITION.—The program established under paragraph (1) shall include a plug-in hybrid electric vehicle competition for institutions of higher education, which shall be known as the “Dr. Andrew Frank Plug-In Electric Vehicle Competition.”

(c) ENGINEERS.—In carrying out the program established under paragraph (1), the Secretary shall provide financial assistance to institutions of higher education to create new, or support existing, degree programs to ensure the availability of trained electrical and mechanical engineers with the skills necessary for the advancement of—

(A) plug-in electric drive vehicles; and

(B) other forms of electric drive transportation technology vehicles.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

SEC. 132. DOMESTIC MANUFACTURING CONVERSION GRANT PROGRAM.

(a) PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles and components of those vehicles.

(2) INCLUSIONS.—The program shall include grants to automobile manufacturers and suppliers and hybrid component manufacturers to encourage domestic production of efficient hybrid, plug-in hybrid electric, plug-in electric drive, and advanced diesel vehicles.

(b) PRIORITY.—Priority shall be given to—

(I) the refurbishment or retooling of manufacturing facilities that have recently ceased operation or will cease operation in the near future;

(II) loan guarantees with respect to vehicles that have the greatest need for the facility.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 133. INCLUSION OF ELECTRIC DRIVE IN ENERGY POLICY ACT OF 1992.

(a) HYBRID ELECTRIC VEHICLE.—The term ‘hybrid electric vehicle’ means a new qualified hybrid motor vehicle (as defined in section 30B(d)(3) of the Internal Revenue Code of 1986). (b) ELECTRIC VEHICLE.—The term ‘electric vehicle’ means any vehicle that draws motive power from a battery when so configured in a manner that the battery is recharged through a source of electricity for motive power; and (c) PLUG-IN ELECTRIC DRIVE VEHICLE.—The term ‘plug-in electric drive vehicle’ means a vehicle that—

(I) has a top attainable speed in 1 mile of more than 20 mph and not more than 25 mph on a paved level surface; and

(II) is propelled by an electric motor and, on-board, rechargeable energy storage system that is rechargeable using an off-board source of electricity.

(d) ELECTRIC PLUG-IN VEHICLE.—The term ‘electric plug-in vehicle’ means a vehicle that—

(I) is a hybrid electric vehicle;

(II) is a plug-in electric drive vehicle; and

(III) is a fuel cell electric vehicle; or

(IV) is an electric vehicle.

SEC. 134. LOAN GUARANTEES FOR FUEL-EFFICIENT AND CLEAN VEHICLES AND COMPONENTS.

(a) PROGRAM.—The Secretary shall make loans to eligible applicants with respect to any project the Secretary determines to be eligible under subsection (b). (b) ELIGIBILITY.—A loan guarantee shall be eligible for purposes of this section only if—

(I) a loan guarantee with respect to the project is made by the Administration for such loan guarantee;

(II) the maturity, priority, and terms of the loan guarantee are determined by the Secretary; and

(III) the loan guarantee with respect to the project is determined by the Secretary to be sufficient to cover the costs of the loan guarantee.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 135. DOMESTIC MANUFACTURING CONVERSION GRANT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to make grants for the construction of facilities for the manufacture of advanced vehicle batteries and battery systems that are developed and produced in the United States, including facilities that manufacture lithium ion batteries and hybrid electric system and component manufacturers and software designers.

(b) REQUIREMENTS.—The Secretary may make a loan guarantee under subsection (a) to an eligible applicant if—

(I) an eligible applicant determines the amount of proceeds necessary for the construction of a facility described in subsection (a) and

(ii) the prospective earning power of the applicant with the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan guarantee; (III) a loan guarantee for an eligible applicant under subsection (b) is provided by a loan guarantee under subsection (b); and

(i) an amount equal to not less than 20 percent of the amount of the loan guarantee; (ii) renewable energy infrastructure, or (iii) infrastructure for transportation that is determined by the Secretary to be sufficient to cover the costs of the loan guarantee.

(c) MULTIPLE LOAN GUARANTEES.—The Secretary shall determine the maximum amount of loan guarantees that may be provided under subsection (b) if—

(I) the Secretary determines that the amount of loan guarantees shall be determined by the Secretary; and

(II) the loan guarantee with respect to the project is determined by the Secretary to be sufficient to cover the costs of the loan guarantee.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.
with respect to principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(1) Rights.—Until each guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

(k) TERMINATION OF AUTHORITY.—The authority of the Secretary to issue a loan guaranteed under subsection (a) terminates on the date that is 10 years after the date of enactment of this Act.

SEC. 136. ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADVANCED TECHNOLOGY VEHICLE.—The term "advanced technology vehicle" means a light duty vehicle that meets—

(A) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(c) of the Clean Air Act (42 U.S.C. 7522(c)), or a lower-numbered Bin emission standard;

(B) any new emission standard in effect for light-duty vehicles at the time of manufacture of the model year 2005 (42 U.S.C. 7521 et seq.); and

(C) at least 25 percent of the average base year combined fuel economy for vehicles with substantially similar attributes.

(2) COMBINED FUEL ECONOMY.—The term "combined fuel economy" means:

(A) the combined city/highway miles per gallon values, as reported in accordance with section 22904 of title 49, United States Code; and

(B) in the case of an electric drive vehicle with the ability to recharge from an off-board source, the reported mileage, as determined in a manner consistent with the Society of Automotive Engineers recommended practice for that configuration or a similar practice recommended by the Secretary.

(3) ENGINEERING INTEGRATION COSTS.—The term "engineering integration costs" includes the cost of engineering tasks relating to—

(A) incorporating qualifying components into the design of advanced technology vehicles; and

(B) designing tooling and equipment and developing manufacturing processes and material suppliers for production facilities that produce qualifying components or advanced technology vehicles.

(4) QUALIFYING COMPONENTS.—The term "qualifying components" means components that the Secretary determines to be—

(A) designed for advanced technology vehicles; and

(B) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(b) ADVANCED VEHICLES MANUFACTURING FACILITY.—The Secretary shall provide facility funding under this section to automobile manufacturers and component suppliers to pay not more than 30 percent of the cost of—

(1) retooling, expanding, or establishing a manufacturing facility in the United States to produce—

(A) qualifying advanced technology vehicle components; and

(B) qualifying components; and

(2) engineering integration performed in the United States of qualifying vehicles and qualifying components.

(c) PERIOD OF AVAILABILITY.—An award under subsection (b) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2020.

(d) DIRECT LOAN PROGRAM.—(1) In general.—In determining a loan under this section, the Secretary shall—

(A) determine, before the date of enactment of this Act and subject to the availability of appropriated funds, the Secretary shall carry out a program to provide a total of not more than $25,000,000,000 in loans to eligible individuals and entities (as determined by the Secretary) for the costs of activities described in subsection (b) for a manufacturing facility in the United States; and

(B) the Secretary of Labor shall, with respect to the labor standards described in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40, United States Code.

(2) APPLICATION.—(A) An applicant for a loan under this subsection shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a written assurance that—

(i) all laborers and mechanics employed by contractors or subcontractors during construction, alteration, or repair that is financed, in whole or in part, by a loan under this section shall be paid wages at rates not less than the prevailing rate of construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40, United States Code;

(B) the Secretary of Labor shall, with respect to the labor standards described in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40, United States Code.

(3) SELECTION OF ELIGIBLE PROJECTS.—The Secretary shall select eligible projects under this subsection to receive loans under this subsection in cases in which, as determined by the Secretary, the award recipient—

(A) is financially viable without the receipt of additional Federal funding associated with the proposed project;

(B) will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is expended efficiently and effectively; and

(C) has met such other criteria as may be established and published by the Secretary.

(4) RATES, TERMS, AND REPAYMENT OF LOANS.—A loan provided under this subsection—

(A) shall have an interest rate that, as of the date on which the loan is made, is equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity;

(B) shall have a term equal to the lesser of—

(i) the projected life, in years, of the eligible project to be carried out using funds from the loan, as determined by the Secretary; and

(ii) 25 years;

(C) may be subject to a deferral in repayment for not more than 5 years after the date on which the eligible project carried out using funds from the loan begins operations, as determined by the Secretary; and

(D) shall be made by the Federal Financing Bank.

(e) IMPROVEMENT.—The Secretary shall issue regulations that require that, in order for an automobile manufacturer to be eligible for an award or loan under this section during a particular year, the adjusted average fuel economy of the manufacturer for light-duty vehicles produced by the manufacturer during that year that the data are available shall be not less than the average fuel economy for all light-duty vehicles of the manufacturer for model year 2005. In order to be eligible for the loan, the manufacturer shall demonstrate in a separate certification that it has maintained projected reductions in greenhouse gas emissions that have been achieved through acquisition of a low greenhouse gas emitting vehicle for each individual vehicle purchased, either—

(i) that no low greenhouse gas emitting vehicle is available to meet the functional needs of the agency and details in writing the functional needs that could not be met by acquiring a low greenhouse gas emitting vehicle; or

(ii) that the agency has taken specific alternative more cost-effective measures to reduce petroleum consumption that have been achieved through acquisition of a low greenhouse gas emitting vehicle over the lifetime of the vehicle; or

(iii) that they have reduced a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas emissions specified in paragraph (a)(3)(E) of this section.
of greenhouse gas reductions that would have been achieved each year through acquisition of a low greenhouse gas emitting vehicle.

"(C) SPECIAL RULE FOR VEHICLES PROVIDED BY FUNDS CONTAINED IN MEMBERS’ REPRESENTATIONAL ALLOWANCE.—This paragraph shall apply to the acquisition of a light duty motor vehicle for personal use by a Member using any portion of a Member’s Representational Allowance, including an acquisition under a long-term lease.

"(D) GUIDANCE.—

‘‘(A) IN GENERAL.—Each year, the Administrator of the Environmental Protection Agency shall issue guidance identifying the make and model numbers of vehicles that are low greenhouse gas emitting vehicles.

‘‘(B) CONSIDERATION.—In identifying vehicles under paragraph (A), the Administrator shall take into account the most stringent standards for vehicle greenhouse gas emissions applicable to and enforceable against motor vehicle manufacturers for vehicles sold anywhere in the United States.

‘‘(C) REQUIREMENT.—The Administrator shall not identify any vehicle as a low greenhouse gas emitting vehicle if that vehicle emits greenhouse gases at a higher rate than such standards allow for the manufacturer’s fleet average grams per mile of carbon dioxide equivalent for that class of vehicle, taking into account any emissions allowances and adjustment factors such standards provide.

SEC. 142. FEDERAL FLEET CONSERVATION REQUIREMENTS.

Part J of title III of the Energy Policy and Conservation Act (42 U.S.C. 674 et seq.) is amended by adding at the end the following:

SEC. 400FF. FEDERAL FLEET CONSERVATION REQUIREMENTS.

‘‘(a) MANAGED REDUCTION IN PETROLEUM CONSUMPTION.—

‘‘(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary shall issue regulations for Federal fleets subject to section 400AA to require that, beginning in fiscal year 2010, each Federal agency shall reduce petroleum consumption and increase alternative fuel consumption each year by an amount necessary to meet the goals described in paragraph (2).

‘‘(2) GOALS.—The goals of the requirements under paragraph (1) are that not later than October 1, 2015, and for each year thereafter, each Federal agency shall achieve at least a 20 percent reduction in annual petroleum consumption and a 50 percent increase in annual alternative fuel consumption, as calculated from the baseline established by the Secretary for fiscal year 2005.

‘‘(b) MILESTONES.—The Secretary shall include in the regulations described in paragraph (1),

‘‘(1) interim numeric milestones to assess annual agency progress towards accomplishing the goals described in that paragraph; and

‘‘(2) requirement that agencies annually report on progress towards meeting each of the milestones and the 2015 goals.

‘‘(c) PLAN.—

‘‘(1) REQUIREMENT.—

‘‘(A) IN GENERAL.—The regulations under subsection (a) shall require each Federal agency to develop a plan, and implement the measures specified in the plan, with respect to the vehicle identified in the plan, to meet the required petroleum reduction levels and the alternative fuel consumption increases, including the milestones specified by the Secretary.

‘‘(B) INCLUSIONS.—The plan shall—

‘‘(i) identify the specific measures the agency will use to meet the requirements of subsection (a); and

‘‘(ii) quantify the reductions in petroleum consumption or increases in alternative fuel consumption projected to be achieved by each measure each year.

‘‘(d) MEASURES.—The plan may allow an agency to meet the required petroleum reduction level through the following:

‘‘(A) the use of alternative fuels;

‘‘(B) the acquisition of vehicles with higher fuel economy, including hybrid vehicles, neighborhood electric vehicles, electric vehicles, and plug-in hybrid vehicles if the vehicles are commercially available;

‘‘(C) the substitution of cars for light trucks;

‘‘(D) an increase in vehicle load factors; and

‘‘(E) a decrease in miles traveled.

‘‘(f) TITLE II—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS

Subtitle A—Renewable Fuel Standard

SEC. 201. DEFINITIONS.

Section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)) is amended to read as follows:

‘‘(1) DEFINITIONS.—In this section:

‘‘(A) ADDITIONAL RENEWABLE FUEL.—The term ‘additional renewable fuel’ means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in home heating oil or jet fuel.

‘‘(B) ADVANCED BIOFUEL.—

‘‘(i) IN GENERAL.—The term ‘advanced biofuel’ means, other than ethanol derived from corn starch, that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, that are at least 60 percent less than baseline lifecycle greenhouse gas emissions.

‘‘(ii) INCLUSIONS.—The types of fuels eligible for consideration as ‘advanced biofuel’ may include any of the following:

‘‘(I) Ethanol derived from cellulose, hemicellulose, or lignin.

‘‘(II) Ethanol derived from sugar or starch (other than corn starch).

‘‘(III) Ethanol derived from waste material, including crop residue, other vegetative waste material, animal waste, and food waste and yard waste.

‘‘(IV) Biomass-based diesel.

‘‘(V) Biogas (including landfill gas and sewage waste) that is produced through the conversion of organic matter from renewable biomass.

‘‘(VI) Butanol or other alcohols produced through the conversion of organic matter from renewable biomass.

‘‘(VII) Other fuel derived from cellulosic biomass.

‘‘(C) BASELINE LIFECYCLE GREENHOUSE GAS EMISSIONS.—The term ‘baseline lifecycle greenhouse gas emissions’ means the average lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, for gasoline or diesel (whichever is being replaced by the renewable fuel) sold or distributed as transportation fuel in a previous year.

‘‘(D) BIOFUEL-BASED DIESEL.—The term ‘biomass-based diesel’ means renewable fuel that is biodiesel as defined in section 312(f) of the Energy Policy Act of 1992 (42 U.S.C. 13229(f)) and that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, for gasoline or diesel (whichever is being replaced by the renewable fuel) sold or distributed as transportation fuel in a previous year.

‘‘(E) BIOMASS-BASED DIESEL.—The term ‘biomass-based diesel’ means renewable fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in a transportation fuel.

‘‘(K) SMALL REFINERY.—The term ‘small refinery’ means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of calendar days in the calendar year) does not exceed 75,000 barrels.

‘‘(L) TRANSPORTATION FUEL.—The term ‘transportation fuel’ means fuel for use in motor vehicles, nonroad engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels)."
### Applicable Volume of Advanced Biofuel for the Calendar Years 2009 through 2022

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### Applicable Volume of Advanced Biofuel for the Calendar Years 2009 through 2022

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<th>Applicable volume of advanced biofuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>20.0</td>
</tr>
<tr>
<td>2010</td>
<td>21.0</td>
</tr>
</tbody>
</table>

### Applicable Volume of Advanced Biofuel for the Calendar Years 2009 through 2022

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Applicable volume of advanced biofuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>22.0</td>
</tr>
<tr>
<td>2010</td>
<td>23.0</td>
</tr>
<tr>
<td>2011</td>
<td>24.0</td>
</tr>
<tr>
<td>2012</td>
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<tr>
<td>2021</td>
<td>34.0</td>
</tr>
<tr>
<td>2022</td>
<td>35.0</td>
</tr>
</tbody>
</table>
provided in subparagraph (D), the Administrator may not adjust the percent greenhouse gas reduction levels unless he determines that there has been a significant change in the analytical methodology used for determining the lifecycle greenhouse gas emissions. If he makes such determination, he may adjust the 20, 50, or 60 percent reduction levels by a methodology and standards set forth in this paragraph.

“(F) LIMIT ON UPWARD ADJUSTMENTS.—If, under subparagraph (D) or (E), the Administrator revises a percent level adjusted as provided in subparagraph (A), (B), and (C) to a higher level, the Secretary shall not exceed the applicable percent specified in paragraph (2)(A)(i), (1)(D), (1)(B)(i), or (1)(E).

“(G) APPLICABILITY OF ADJUSTMENTS.—If the Administrator determines that a revised percent level referred to in this paragraph or makes a change in the analytical methodology used for determining the lifecycle greenhouse gas emissions of biofuel, such revision, or change or any combination thereof shall only apply to renewable fuel from new facilities that commence construction and begin production on or after the effective date of such adjustment, revision, or change.”.

(d) CREDITS FOR ADDITIONAL RENEWABLE FUEL.—Paragraph (7) of section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)(7)) is amended by adding the following at the end thereof:

“(E) ADDITIONAL RENEWABLE FUEL.—The Administrator may issue regulations providing for the generation of an appropriate amount of credits by any person that refines, blends, or imports additional renewable fuel.

(e) WAIVERS.

(1) GENERAL.—Paragraph (7)(A) of section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)(7)(A)) is amended by inserting “, by any person subject to the requirements of this section on his or her own motion of one or more States” in subparagraph (A) and by striking out “State” in subparagraph (B).

(2) EXEMPTION.—Paragraph (7)(B) of section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)(7)(B)) is amended by adding the following at the end thereof:

“(C) the impacts of the requirements described in subsection (b) on the production of feed grains, livestock, food, forest products, and energy.

(f) PERIODIC REVIEWS.

To allow for the adjustment of the requirements described in subparagraph (D) of paragraph (2) of the Clean Air Act to be suspended or reduced to prevent adverse impacts to domestic animal agriculture feedstocks described in subsection (c)(2) or regional agricultural and silvicultural capability described in subsection (c)(3); and

(2) recommendations for the means by which the Federal Government could prevent or minimize adverse economic hardships and impacts.

(e) DEADLINE FOR COMPLETION OF STUDY.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study under this section.

SEC. 203. STUDY OF IMPACT OF RENEWABLE FUEL STANDARD.

(a) IN GENERAL.—The Secretary of Energy, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to assess the impact of the requirements described in section 211(o) of the Clean Air Act on each industry affected by the production of feed grains, livestock, food, forest products, and energy.

(b) PARTICIPATION.—In conducting the study under this section, the National Academy of Sciences shall include the participation, and consider the input of—

(1) producers of feed grains;

(2) producers of livestock, poultry, and perishable products;

(3) producers of food and food products;

(4) producers of energy;

(5) individuals and entities interested in issues relating to conservation, the environment, and nutrition;

(6) users and consumer of renewable fuels;

(7) producers and users of biomass feedstocks and land grant universities.

(c) CONSIDERATIONS.—In conducting the study under this section, the National Academy of Sciences shall consider—

1. The likely impact on domestic animal agriculture feedstocks that, in any crop year, are significantly below current projections;

2. policy options to alleviate the impact on domestic animal agriculture feedstocks that are significantly below current projections; and

3. policy options to maintain regional agricultural and silvicultural capability.

(d) COMPONENTS.—The study shall include—

1. a description of the conditions under which the requirements described in section 211(o) of the Clean Air Act should be suspended or reduced to prevent adverse impacts to domestic animal agriculture feedstocks described in subsection (c)(2) or regional agricultural and silvicultural capability described in subsection (c)(3); and

2. recommendations for the means by which the Federal Government could prevent or minimize adverse economic hardships and impacts.

(e) DEADLINE FOR COMPLETION OF STUDY.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study under this section.

SEC. 204. ENVIRONMENTAL AND RESOURCE CONSERVATION IMPACTS.

(a) IN GENERAL.—Not later than 3 years after the enactment of this section and every 3 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall assess and report to Congress on the impacts to date and likelihood of the requirements described in section 211(o) of the Clean Air Act on the following:
(1) Environmental issues, including air quality, effects on hypoxia, pesticides, sediment, nutrient and pathogen levels in waters, acreage and function of waters, and soil environmental quality.

(2) Resource conservation issues, including soil conservation, water availability, and ecosystem health and biodiversity, including impacts on wetlands and estuaries.

(3) The growth and use of cultivated invasive or noxious plants and their impacts on the environment and agriculture.

In advance of preparing the report required by this subsection, the Administrator may seek the views of the National Academy of Sciences or another appropriate independent research institute. The report shall include the amounts of imported refined and renewable fuels and feedstocks, and the environmental impacts outside the United States of producing such fuels and feedstocks. The report required by this subsection shall include recommendations for actions to address any adverse impacts found.

(b) EFFECT ON AIR QUALITY AND OTHER ENVIRONMENTAL REQUIREMENTS.—Except as provided in section 211(o)(13) of the Clean Air Act, any amendments made by this title to section 211(o) of the Clean Air Act shall be construed as superseding, or limiting, any more environmentally protective requirements that were set forth under the Clean Air Act, or under any other provision of State or Federal law or regulation, including any environmental law or regulation.

SEC. 205. BIOMASS-BASED DIESEL AND BIODIESEL LABELING.

(a) IN GENERAL.—Each retail diesel fuel pump shall be labeled in a manner that informs consumers of the percent of biomass-based diesel or biodiesel that is contained in the biomass-based diesel blend or biodiesel blend that is offered for sale, as determined by the Federal Trade Commission.

(b) LABELING REQUIREMENTS.—Not later than 180 days after the date of enactment of this section, the Federal Trade Commission shall promulgate biodiesel labeling requirements as follows:

(1) Biomass-based diesel blends or biodiesel blends that contain less than or equal to 25 percent biomass-based diesel or biodiesel by volume shall be labeled “biomass-based diesel blend” or “biomass-based diesel”.

(2) Biomass-based diesel blends or biodiesel blends that contain more than 25 percent biomass-based diesel or biodiesel by volume shall be labeled “biomass-based diesel blend” or “biomass-based diesel”.

(3) Biomass-based diesel or biodiesel blends that contain more than 25 percent biomass-based diesel or biodiesel by volume shall be labeled “contains more than 25 percent biomass-based diesel or biodiesel”.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000,000 for the period of fiscal years 2008 through 2015.

SEC. 206. STUDY OF CREDITS FOR USE OF RENEWABLE ELECTRICITY IN ELECTRIC VEHICLES.

(a) DEFINITION OF ELECTRIC VEHICLE.—In this section, the term “electric vehicle” means an electric motor vehicle (as defined in section 202(o) of the Energy Policy Act of 1992 (42 U.S.C. 13271)) for which the rechargeable storage battery—

(1) receives a charge directly from a source of electric current that is external to the vehicle; and

(2) provides a minimum of 80 percent of the motive power of the vehicle.

(b) STUDY.—The Administrator of the Environmental Protection Agency shall conduct a study on the feasibility of issuing credits under the program established under section 211(o) of the Clean Air Act to electric vehicles powered by electricity produced from renewable energy sources.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives a report that describes the results of the study, including a description of—

(1) existing programs and studies on the use of renewable electricity as a means of powering electric vehicles; and

(2) alternative methods for designing a pilot program to determine the feasibility of using renewable electricity to power electric vehicles as an adjunct to a renewable fuels mandate.

SEC. 207. GRANTS FOR PRODUCTION OF ADVANCED BIOFUELS.

(a) IN GENERAL.—The Secretary of Energy shall establish a program to encourage the production of advanced biofuels.

(b) REQUIREMENTS AND PRIORITY.—In making grants under this section, the Secretary—

(1) shall award grants for advanced biofuels with the greatest reduction in lifecycle greenhouse gas emissions compared to comparable motor vehicle fuel lifecycle emissions during calendar year 2005; and

(2) shall not make an award to a project that does not achieve at least a 30 percent reduction in such lifecycle greenhouse gas emissions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000,000 for the period of fiscal years 2008 through 2015.

SEC. 208. INTEGRATED CONSIDERATION OF WATER QUALITY IN DETERMINATIONS ON FUELS AND FUEL ADDITIVES.

Section 211(c)(1) of the Clean Air Act (42 U.S.C. 7545(c)(1)) is amended as follows:

(1) By striking “nonroad vehicle” (A) if in the judgment of the Administrator and inserting “nonroad vehicle if, in the judgment of the Administrator, any fuel or fuel additive or”; and

(2) In subparagraph (A), by striking “air pollution which” and inserting “air pollution (including carbon dioxide) and degradation in the quality of groundwater) that”.

SEC. 209. ANTI-BACKSLIDING.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

“(1) PREVENTION OF AIR QUALITY DETERIORATION.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this subsection, the Administrator shall complete a study to determine whether the renewable volumes required by this Act adversely impact air quality as a result of changes in vehicle and engine emissions of air pollutants regulated under this Act.

(B) STUDY.—The study shall include consideration of—

(i) different blend levels, types of renewable fuels, and available vehicle technologies; and

(ii) appropriate national, regional, and local air quality control measures.

(C) REPORT.—Not later than 3 years after the date of enactment of this subsection, the Administrator shall—

(A) promulgate fuel regulations to implement appropriate measures to mitigate, to the greatest extent achievable, considering the results of the study under paragraph (1), any adverse impacts on air quality, as a result of the renewable volumes required by this section; or

(B) make a determination that no such measures are necessary.”

SEC. 210. EFFECTIVE DATE, SAVINGS PROVISION, AND TRANSITION RULES.

(a) TRANSITION RULES.—(1) For calendar year 2008, transportation fuel sold or introduced into commerce in the United States (except in noncontiguous territories), that is produced from facilities that commence construction after the date of enactment of this Act and is renewable fuel within the meaning of section 211(o) of the Clean Air Act only if it achieves at least a 20 percent reduction in lifecycle greenhouse gas emissions compared to baseline lifecycle greenhouse gas emissions. For calendar years 2009 and 2010, any ethanol plant that is fired with natural gas, biomass, or any combination thereof is deemed to be in compliance with such 20 percent reduction requirement and with the 20 percent reduction requirement of section 211(o)(1) of the Clean Air Act. The rules promulgated under this subsection shall have the same meaning as provided in the amendment made by this Act to section 211(o) of the Clean Air Act.

(2) Until January 1, 2010, the Administrator of the Environmental Protection Agency shall implement section 211(o) of the Clean Air Act and the rules promulgated under that section in accordance with the provisions of that section as in effect before the enactment of this Act and in accordance with the rules promulgated before the enactment of this Act, except that for calendar year 2008, the number “5.0” shall be substituted for the number “5.4” in the table in section 211(o)(2)(B) and the rules promulgated to carry out those provisions.

(3) The Administrator is authorized to take such other actions as may be necessary to carry out this paragraph notwithstanding any other provision of law.

(b) SAVINGS CLAUSE.—Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is amended by adding at the end the following paragraph at the end thereof:

“(12) EFFECT ON OTHER PROVISIONS.—Nothing in this subsection, or regulations issued under this subsection, shall affect or be construed to affect the regulatory status of carbon dioxide or any other greenhouse gas, or to expand or limit regulatory authorities with respect to carbon dioxide or any other greenhouse gas, for purposes of other provisions (including section 165) of this Act.”
previous sentence shall not affect implementa-
tion and enforcement of this subsection.’.”

(c) EFFECTIVE DATE.—The amendments
made by this title to section 211(o) of the Clean
Air Act shall take effect on January 1, 2009, except
that the Administrator shall promulgate regulations to carry out such
amendments not later than one year after
the enactment of this Act.

Subtitle B—Biofuels Research and
Development

SEC. 221. BIODIESEL.

(a) BIODIESEL STUDY.—Not later than 180
days after the date of enactment of this Act, the
Secretary, in consultation with the Ad-
mnistrator of the Environmental Protection
Agency, shall submit to Congress a report on
any research and development challenges inher-
ent in increasing the proportion of diesel
fuel sold in the United States that is biodie-
sel.

(b) MATERIAL FOR THE ESTABLISHMENT OF
STANDARDS.—The Director of the National
Institute of Standards and Technology, in
consultation with the Secretary, shall make
publicly available the physical property data
and characterization of biodiesel and other
biofuels as appropriate.

SEC. 222. BIOGAS.

Not later than 180 days after the date of
enactment of this Act, the Secretary, in con-
sultation with the Administrator of the En-
vironmental Protection Agency, shall sub-
mit to the Committee on Science and Tech-
ology of the House of Representa-
tives, and to the Committee on Energy
and Natural Resources, the Com-
mittee on Environment and Public Works,
and the Committee on Commerce, Science,
and Transportation of the Senate, a report
that describes the results of the study under
this section, including any recommenda-
tions of the Secretary.

SEC. 223. GRANTS FOR BIOFUEL PRODUCTION
RESEARCH AND DEVELOPMENT IN CERTAIN
STATES.

(a) IN GENERAL.—The Secretary shall pro-
vide grants to eligible entities for research,
development, demonstration, and commer-
cial application of biofuel production tech-
nologies in States with low rates of ethanol
production, including low rates of production
of cellulosic biomass ethanol, as determined
by the Secretary.

(b) ELIGIBILITY.—To be eligible to receive a
grant under this section, an entity shall—

(1) be an institution of higher education
(as defined in section 322 of the Higher Edu-
cation Act of 1965 (20 U.S.C. 1061)) (commonly referred to as
Historically Black Colleges and Univer-
sities,

(2) a part B institution (as defined in sec-
tion 316(b) of the Higher Education Act
of 1965),

(3) a local government agency,

(4) a Federal, State, or local government
agency located in a State described in
subsection (a); or

(b) be a consortium including at least 1
institution of higher education, and in-
dustry, State agencies, Indian tribal a-

cenies, State agencies, or local govern-

ment agencies located in the State; and

(2) have proven experience and capabili-
ties with relevant technologies.

(c) FUNDING OF APPROPRIATIONS.—
There are authorized to be appropriated to
the Secretary to carry out this section
$25,000,000 for each of fiscal years 2008
through 2013.

SEC. 224. BIOREFINERY ENERGY EFFICIENCY.

Section 932 of the Energy Policy Act of
2005 (42 U.S.C. 18232) is amended by adding at the end the
following new subsections:

‘‘(g) BIOREFINERY ENERGY EFFICIENCY.—The Secretary
shall establish a program of re-

search, development, demonstration, and
commercial application focused on increasing
energy efficiency and reducing energy con-
sumption in the operation of biorefinery fa-

cilities.’’

‘‘(h) DEPLOYMENT TECHNOLOGIES FOR THE DE-

VELOPMENT OF ETHANOL FROM CELLULOSIC
MATERIALS.—The Secretary shall establish a
program of research, development, demon-
stration, and commercial application of
new technologies and processes to enable bio-

refineries that exclusively use corn grain or
corn starch as a feedstock to produce eth-

anol to be retrofit to accept a range of
biomass, including lignocellulosic feed-
stocks.’’

SEC. 225. STUDY OF OPTIMIZATION OF FLEXIBLE
FUELED VEHICLES TO USE E85 FUEL.

(a) IN GENERAL.—The Secretary, in con-
sultation with the Secretary of Transpor-
tation and the Administrator of the Environ-
mental Protection Agency, shall conduct a
study of ways to optimizing flexible fueled
vehicles to use E85 fuel would in-
crease the fuel efficiency of flexible fueled
vehicles.

(b) REPORT.—Not later than 180 days after
the date of enactment of this Act, the Sec-
retary shall submit to the Committee on
Science and Technology and the Committee on
Energy and Natural Resources of the Senate a report on
the progress of the research and develop-
ment that is being conducted on the use of
aloe as a feedstock for the production of
biofuels.

(c) EFFECTIVE DATE.—The Secretary shall identify
the entities carrying out research and develop-
ment challenges and any regulatory or other barriers
found by the Secretary that hinder the use of
biofuels, as well as recommendations on
how to encourage and further its develop-
ment as a viable transportation fuel.

SEC. 226. STUDY OF ENGINE DURABILITY AND
PERFORMANCE ASSOCIATED WITH USING
BIOFUELS AND RETROFIT TECHNOLOGIES
FOR THE DEPLOYMENT OF FLEXIBLE FUELED
VEHICLES TO USE E85 FUEL.

(a) IN GENERAL.—Not later than 30 days
after the date of enactment of this Act, the Sec-
retary shall submit to the Committee on
Science and Technology and the Committee on
Energy and Natural Resources, the Com-
mittee on Environment and Public Works,
and the Committee on Commerce, Science,
and Transportation of the Senate, a report
that describes the results of the study under
this section, including any recommendations
of the Secretary.

SEC. 227. STUDY OF OPTIMIZATION OF BIOGAS
USED IN NATURAL GAS VEHICLES.

(a) IN GENERAL.—The Secretary, in con-
sultation with the Administrator of the En-
vironmental Protection Agency and the Sec-
retary of Transportation, shall conduct a
study of methods of increasing the fuel effi-
ciency of vehicles using biogas by optimizing
natural gas vehicle systems that can operate
on biogas, including the advancement of
vehicle fuel systems and the combination of
hybrid-electric and plug-in electric drive
platforms with natural gas vehicle sys-
tems using biogas.

(b) REPORT.—Not later than 180 days after
the date of enactment of this Act, the Sec-
retary shall submit to the Committee on En-
vironment and Natural Resources, the Committee on
Environment and Public Works, and the
Committee on Commerce, Science, and
Transportation of the Senate, and to the
Committee on Science and Technology and
the Committee on Energy and Commerce of the
House of Representatives, a report that
describes the results of the study, including
any recommendations of the Committee.

SEC. 228. ALGAL BIOMAS.

(a) IN GENERAL.—Not later than 90 days
after the date of enactment of this Act, the
Secretary shall submit to the Committee on
Science and Technology and the Committee on
Energy and Natural Resources of the Senate a report on
the progress of the research and develop-
ment that is being conducted on the use of
algae as a feedstock for the production of
biofuels.

(b) CONTENTS.—The report shall identify
continuing research and development chal-

lenges and any regulatory or other barriers
found by the Secretary that hinder the use of
this resource, as well as recommendations on
how to encourage and further its develop-
ment as a viable transportation fuel.

SEC. 229. BIOFUELS AND BIOREFINERY INFORMA-
TION CENTER.

(a) IN GENERAL.—The Secretary, in co-
operation with the Secretary of Agriculture,
shall establish a biofuels and biorefinery in-
formation center to make available to inter-
ested parties information on—

(1) renewable fuel feedstocks, including
the varieties of fuel capable of being produced
from various feedstocks;

(2) biofuel processing techniques rel-
ating to various renewable energy feedstocks;

(3) the distribution, blending, storage,
and retail dispensing infrastructure necessary
for the transport and use of renewable fuels;

(4) Federal and State laws and incentives
related to renewable fuel production and use;

(5) renewable fuel research and develop-
ment advancements;

(6) renewable fuel development and bio-
refinery processes and technologies;

(7) renewable fuel resources, including
information on programs and incentives for
renewable fuels;

(8) renewable fuel producers;

(9) renewable fuel users; and

(10) potential renewable fuel users.

(b) ADMINISTRATION.—In administering
the biofuels and biorefinery information center,
the Secretary shall continually update infor-
mation provided by the center;

(2) make information available relating to
processes and technologies for renewable fuel
production;

(3) make information available to inter-
ested parties on the process for establishing
a biorefinery; and

(4) make information and assistance pro-
vided by the center available through a toll-
free telephone number and website.

(c) COORDINATION AND NONDUPPLICATION.—To
maximum extent practicable, the Secretary
shall ensure that the activities under this section
are coordinated with, and do not dup-
licate the efforts of, centers at other gov-
ernment agencies.

(d) AUTHORIZATION OF APPROPRIATIONS.—
There are authorized to be appropriated such
sums as are necessary to carry out this sec-
tion.

SEC. 230. CELLULOSIC ETHANOL AND BIOFUELS
DEMONSTRATION PROJECTS.

(a) DEFINITION OF ELIGIBLE ENTITY.—In this
section, the term ‘‘eligible entity’’ means—

(1) an 1890 Institution (as defined in section
2 of the Agricultural Research, Extension,
and Education Reform Act of 1998 (7 U.S.C.
7061));

(2) a part B Institution (as defined in sec-
tion 322 of the Higher Education Act of
1965 (20 U.S.C. 1061)) (commonly referred to as
‘‘Historically Black Colleges and Univer-
sities’’);

(3) a Tribal college or university (as defined
in section 316(b) of the Higher Education
Act of 1965 (20 U.S.C. 1059c(b))); or

December 12, 2007

CONGRESSIONAL RECORD—SENATE

S15267
SEC. 241. PROHIBITION ON FRANCHISE AGREEMENT RESTRICTIONS RELATED TO RENEWABLE FUEL INFRASTRUCTURE.

(a) In general.—Title I of the Petroleum Marketing Practices Act (15 U.S.C. 2601 et seq.) is amended by adding at the end the following:

"SEC. 107. PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.

"(a) Definition.—In this section:

"(1) RENEWABLE FUEL.—The term ‘renewable fuel’ means any fuel—

"(A) at least 85 percent of the volume of which consists of ethanol; or

"(B) any mixture of biodiesel and diesel or renewable diesel (as defined in regulations adopted pursuant to section 211(o) of the Clean Air Act (40 CFR, Part 80)), determined without regard to any use of kerosene and containing at least 20 percent biodiesel or renewable diesel.

"(2) FRANCHISE-RELATED DOCUMENT.—The term ‘franchise-related document’ means—

"(A) a franchise under this Act, and

"(B) any other contract or directive of a franchisor relating to terms or conditions of the sale of fuel by a franchisee.

"(3) EFFECT OF PROVISION.—(1) IN GENERAL.—No franchise-related document entered into or renewed on or after the date of enactment of this section shall contain any provision allowing a franchisor to restrict the franchisee or any affiliate of the franchisee from—

"(A) installing on the marketing premises of the franchisee a renewable fuel pump or tank, except that the franchisee’s franchisor may restrict the installation of a tank on leased marketing premises of such franchisee;

"(B) converting an existing tank or pump on the marketing premises of the franchisee for renewable fuel use, so long as such tank or pump and the piping connecting them are either warranted by the manufacturer or certified by a recognized standards setting organization to be suitable for use with such renewable fuel;

"(C) advertising (including through the use of signage) the sale of any renewable fuel;

"(D) selling renewable fuel in any specific area on the marketing premises of the franchisee (including any area in which a name or logo of a franchisor or any other entity appears);

"(E) purchasing renewable fuel from sources other than the franchisor if the franchisee does not offer its own renewable fuel for sale by the franchisee;

"(F) listing renewable fuel availability or prices, including on service station signs, fuel dispensers, or light poles; or

"(G) allowing for payment of renewable fuel with a credit card, so long as such activities described in subparagraphs (A) through (G) do not constitute mislabeling, misbranding, willful adulteration, or other trademark violations by the franchisee.

"(2) EFFECT OF PROVISION.—Nothing in this section shall be construed to preclude a franchisor from requiring the franchisee to obtain reasonable indemnification and insurance policies.

"(3) EXCEPTION TO 3-GRADE REQUIREMENT.—No franchise-related document entered into or renewed on or after the date of enactment of this section shall contain any provision that requires that 3 grades of gasoline be sold by the applicable franchisee shall prevent the franchisee from selling an renewable fuel in lieu of 1, only 1, grade of gasoline, "92" or "87" each place it appears and inserting ‘‘102, 103, or 107’’.

"(4) EXCEPT TO 3-GRADE REQUIREMENT.—No franchise-related document entered into or renewed on or after the date of enactment of this section shall contain any provision that requires that 3 grades of gasoline be sold by the applicable franchisee shall prevent the franchisee from selling an renewable fuel in lieu of 1, only 1, grade of gasoline, "92" or "87" each place it appears and inserting ‘‘102, 103, or 107’’.

"(5) REQUIREMENT.—The term ‘requirement’ includes any franchise-related document which requires—

"(A) a franchisor to deliver or allow the delivery of only one grade of gasoline to a franchisee on or after the date of enactment of this section;

"(B) a franchisor to deliver or allow the delivery of only one grade of gasoline to a franchisee on or after the date of enactment of this section;

"(C) a franchisor to deliver or allow the delivery of only one grade of gasoline to a franchisee on or after the date of enactment of this section;
(c) CONFORMING AMENDMENTS.—
(1) IN GENERAL.—Section 101(13) of the Petroleum Marketing Practices Act (15 U.S.C. 2801(13)) is amended by striking the margin of subparagraph (C) with subparagraph (B).
(2) TABLE OF CONTENTS.—The table of contents of the Petroleum Marketing Practices Act (15 U.S.C. 2801 note) is amended—
(A) by inserting the item relating to section 106 the following:
   “Sec. 107. Prohibition on restriction of installation of renewable fuel dispensers and related systems and any potential effects on the price of motor vehicle fuel.”
(B) by striking the item relating to section 202 and inserting the following:
   “Sec. 202. Automotive fuel rating testing and disclosure requirements.”.

SEC. 242. RENEWABLE FUEL DISPENSER REQUISITES.

(a) MARKET PENETRATION REPORTS.—The Secretary, in consultation with the Secretary of Transportation, shall determine and report to Congress annually on the market penetration for flexible-fuel vehicles in use within geographic regions to be established by the Secretary.
(b) DISPENSER FEASIBILITY STUDY.—Not later than 24 months after the date of enactment of this Act, the Secretary, in consultation with the Department of Transportation, shall report to the Congress on the feasibility of requiring motor fuel retailers to install, replace, or convert to flexible-fuel dispensers and related systems at retail fuel facilities in regions where flexible-fuel vehicle market penetration is 10 percent or more.

SEC. 243. ETHANOL PIPELINE FEASIBILITY STUDY.

(a) IN GENERAL.—The Secretary, in coordination with the Secretary of Transportation, shall conduct a study of the feasibility of the construction of pipelines dedicated to the transportation of ethanol.
(b) FACTORS FOR CONSIDERATION.—In conducting the study under subsection (a), the Secretary shall take into consideration—
(1) the number of retail ethanol purchasers that would make dedicated pipelines economically viable;
(2) existing or potential barriers to the construction and operation of pipelines dedicated to the transportation of ethanol, including technical, siting, financing, and regulatory barriers;
(3) market risk (including throughput risk) and means of mitigating the risk;
(4) regulatory, financing, and siting options that would mitigate the risk and help ensure the construction of 1 or more pipelines dedicated to the transportation of ethanol;
(5) financial incentives that may be necessary for the construction of pipelines dedicated to the transportation of ethanol, including the return on equity that sponsors of the initial dedicated ethanol pipelines will require to construct pipelines;
(6) technical factors that may compromise the safe transportation of ethanol in pipelines, including identification of remedial and preventive measures to ensure pipeline integrity; and
(7) such other factors as the Secretary considers to be appropriate.

SEC. 244. RENEWABLE FUEL INFRASTRUCTURE GRANTS.

(a) DEFINITION OF RENEWABLE FUEL BLEND.—In this section, the term “renewable fuel blend” means gasoline blend that contain not less than 11 percent, and not more than 85 percent, renewable fuel or diesel fuel that contains at least 10 percent renewable fuel.
(b) INFRASTRUCTURE DEVELOPMENT GRANTS.—
(1) ESTABLISHMENT.—The Secretary shall establish a program for making grants for providing assistance to retail and wholesale motor fuel dealers or other entities for the installation, replacement, or conversion of motor fuel storage and dispensing infrastructure to be used exclusively to store and dispense renewable fuel blends.
(2) SELECTION CRITERIA.—Not later than 12 months after the date of enactment of this Act, the Secretary shall establish criteria for evaluating applicants under this subsection that will maximize the availability and use of renewable fuel blends, and that will ensure that renewable fuel blends are available across the country. Such criteria shall provide for—
(A) consideration of the public demand for each renewable fuel blend in a particular geographic area;
(B) consideration of population, number of vehicles, and labelings compatible dispensers and related equipment installed as part of the project funded by the grant.

SEC. 245. RENEWABLE FUEL BLEND STATIONS.

(a) DEFINITION OF RENEWABLE FUEL BLEND STATION.—The Secretary shall establish rules that set forth requirements for grant recipients under this section that include requirements for renewable fuel blend stations, establishing a marketing plan that informs consumers of the price and availability of the renewable fuel blends, clearly labeling the dispensers and related equipment, and providing periodic reports on the status of the renewable fuel blend sales, the blend and amount of the renewable fuel blends dispensed at each location, and the average price of such fuel.
(b) NOTIFICATION REQUIREMENTS.—Not later than the date on which each renewable fuel blend station begins to offer renewable fuel blends to the public, the grant recipient that used grant funds to construct or upgrade such station shall report to the Department of Treasury of such opening. The Secretary shall add each new renewable fuel blend station to the renewable fuel blend station locator on its Website when it receives notification under this section.
(c) DOUBLE COUNTING.—No person that receives a credit under section 39C of the Internal Revenue Code of 1986 may receive assistance under this section.

SEC. 246. RETAIL TECHNICAL AND MARKETING ASSISTANCE.

(a) RETAIL TECHNICAL AND MARKETING ASSISTANCE.—The Secretary shall enter into contracts with entities with demonstrated experience in assisting retail fueling stations in installing renewable fuel blends nationally, for the provision of technical and marketing assistance to recipients of grants under this Act. Such assistance shall include—
(1) technical advice for compliance with applicable Federal and State environmental requirements;
(2) help in identifying supply sources and securing long-term contracts; and
(3) technical advice for outreach, education, and labeling materials.
(b) REFUELING INFRASTRUCTURE CORRIDORS—
(1) IN GENERAL.—The Secretary shall establish a competitive grant pilot program (referred to in this subsection as the “pilot program”), to be administered through the Vehicle Technology Deployment Program of the Department of Transportation, to provide up to 10 geographically-dispersed project grants to State governments, Indian tribal governments, local governments, metropolitan transportation authorities, or partnerships of those entities to carry out 1 or more projects for the purposes described in paragraph (2).
(2) GRANT PURPOSES.—A grant under this subsection shall be used for the establishment of renewable infrastructure corridors, as designated by the Secretary, for renewable fuel blends, including—
(A) installation of infrastructure and equipment necessary to ensure adequate distribution of renewable fuel blends within the corridor;
(B) installation of infrastructure and equipment necessary to directly support vehicles powered by renewable fuel blends; and
(C) operation and maintenance of infrastructure and equipment installed as part of a project funded by the grant.
(3) APPLICATIONS.—
(1) IN GENERAL.—Subject to clause (ii), not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations for use in applying for grants under the pilot program.
(2) MINIMUM REQUIREMENTS.—At a minimum, the Secretary shall require that an application for a grant under this subsection—
(A) be submitted by—
(aa) the head of a State, tribal, or local government or a metropolitan transportation authority, or any combination of those entities; and
(b) a registered participant in the Vehicle Technology Deployment Program of the Department; and
(II) includes
(a) a description of the project proposed in the application, including the ways in which the project meets the requirements of this subsection;
(b) an estimate of the degree of use of the project, including the estimated size of fleet of vehicles operated with renewable fuels blend of fuel available within the geographic region of the corridor, measured as a total quantity and a percentage;
(cc) an estimate of the potential petroleum displacement as a result of the project (measured as a total quantity and a percentage), and a plan to collect and disseminate petroleum displacement and other relevant data relating to the project to be funded under the grant, over the expected life of the project;
(dd) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant;
(ee) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project; and
(ff) a description of which costs of the project are supported by Federal assistance under this subsection.
(B) PARTNERS.—An applicant under subparagraph (A) may carry out a project under the pilot program in partnership with public and private entities.

4) SELECTION CRITERIA.—In evaluating applications under the pilot program, the Secretary shall:
(A) consider the experience of each applicant with previous, similar projects; and
(B) give priority consideration to applications that—
(i) are most likely to maximize displacement of petroleum consumption, measured as a total quantity and a percentage;
(ii) are best able to incorporate existing infrastructure while maximizing, to the extent practicable, the use of advanced biofuels;
(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained after Federal assistance under this subsection is completed;
(iv) represent a partnership of public and private entities; and
(v) meet the minimum requirements of paragraph (3)(A)(ii).
(5) PILOT PROGRAM REQUIREMENTS.—
(A) MAXIMUM AMOUNT.—The Secretary shall provide not more than $20,000,000 in Federal assistance under the pilot program to any applicant.
(B) COST SHARING.—The non-Federal share of the cost of any activity relating to renewable fuel blend infrastructure development carried out using funds from a grant under this subsection shall be not less than 20 percent.
(C) MAXIMUM PERIOD OF GRANTS.—The Secretary shall provide funds to any applicant under the pilot program for more than 2 years.
(D) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of project sites funded by grants under this subsection.
(E) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications. (F) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $200,000,000 for each of the fiscal years 2008 through 2014.

SEC. 245. STUDY OF THE ADEQUACY OF TRANS- PORTATION OF DOMESTICALLY-PRODUCED RENEWABLE FUEL BY RAILROADS AND OTHER MODES OF TRANSPORTATION.

STATUTORY AUTHORITY

(a) STUDY.—

(1) IN GENERAL.—The Secretary, in coordination with the Secretary of Transportation, shall jointly conduct a study of the adequacy of transportation of domestically-produced renewable fuels by railroad and other modes of transportation as designated by the Secretary.

(2) COMPONENTS.—In conducting the study under paragraph (1), the Secretary shall—
(A) consider the adequacy of existing rail- road and other transportation and distribution infrastructure, equipment, service and capacity to move the necessary quantities of domestically-produced renewable fuel within the timeframes;
(B)(i) consider the projected costs of moving the domestically-produced renewable fuel by railroad and other modes transportation; and
(ii) consider the impact of the projected costs on the marketability of the domestically-produced renewable fuel;
(C) identify current and potential impediments to the reliable transportation and distribution of adequately-produced renewable fuel at reasonable prices, including practices currently utilized by domestic producers, shippers, and receivers of renewable fuels;
(D) consider whether adequate competition exists within and between modes of transportation for the transportation and distribution of domestically-produced renewable fuel and, whether inadequate competition leads to an unfair price for the transportation and distribution of domestically-produced renewable fuel; and
(E) consider whether Federal agencies have adequate legal authority to address railroad and transportation service problems that may be resulting in inadequate supplies of domestically-produced renewable fuel in any area of the United States;

(G) consider what transportation infrastructure capital expenditures may be necessary to ensure the reliable transportation of adequate supplies of domestically-produced renewable fuel at reasonable prices within the United States and which public and private entities should be responsible for making such expenditures; and

(H) provide recommendations on ways to facilitate the reliable transportation of adequate supplies of domestically-produced renewable fuel at reasonable prices.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report containing—
(1) an overview of the grant recipients and a description of the projects to be funded under the pilot program;
(2) an identification of other applicants that submitted applications for the pilot program but to which funding was not provided; and
(3) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(C) consideration of the effectiveness of the pilot program, including an assessment of the petroleum displacement and benefits to the environment derived from the projects included in the pilot program.

(e) RESTRICTION.—No grant shall be provided under subsection (b) or (c) to a large, vertically integrated oil company.

SEC. 246. FEDERAL FLEET FUEL CENTERING.
each Federal fleet fueling center in the United States under the jurisdiction of the head of the Federal agency.

(b) REPORT.—Not later than October 31 of the first calendar year beginning after the date of the enactment of this Act, and each October 31 thereafter, the President shall submit to Congress a report that describes the progress toward complying with subsection (a).

(1) the number of Federal fleet fueling centers that contain at least 1 renewable fuel pump; and

(2) the number of Federal fleet fueling centers that do not contain any renewable fuel pumps.

d) Department of Defense Facility.—This section shall not apply to a Department of Defense fueling center with a fuel turn-over rate of less than 100,000 gallons of fuel per year.

d) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 247. STANDARD SPECIFICATIONS FOR BIO-DIESEL.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by redesignating subsection (s) as subsection (t), redesignating subsection (r) as subsection (s), and by adding the following new subsection at the end thereof:

"(u) STANDARD SPECIFICATIONS FOR BIO-DIESEL.—(1) Unless the American Society for Testing and Materials has adopted a standard for diesel fuel containing 20 percent biodiesel (commonly known as 'B20') within 1 year after the date of enactment of this subsection, the Administrator shall initiate a rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification number so that vehicle manufacturers are able to design engines to use fuel meeting such standard.

(2) Unless the American Society for Testing and Materials has adopted a standard for diesel fuel containing 5 percent biodiesel (commonly known as 'B5') within 1 year after the date of enactment of this subsection, the Administrator shall initiate a rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification number so that vehicle manufacturers are able to design engines to use fuel meeting such standard.

(3) Whenever the Administrator is required to initiate a rulemaking under paragraph (1) or (2), the Administrator shall promulgate a final rule within 18 months after the date of the enactment of this subsection.

(4) Not later than 180 days after the enactment of this subsection, the Administrator shall establish an annual inspection and enforcement program to ensure that diesel fuel containing biodiesel sold or distributed in interstate commerce meets the standards established under regulations under this section, including testing and certification for compliance with applicable standards of the American Society for Testing and Materials. There are authorized to be appropriated such sums as are necessary to carry out the inspection and enforcement program under this paragraph.

"(v) For purposes of this subsection, the term 'biodiesel' has the meaning provided by section 312(f) of Energy Policy Act of 1992 (42 U.S.C. 6222(f))."
“(B) NONCOVERED SUPPLIES.—A class A external power supply shall not be subject to subparagraph (A) if the class A external power supply is—

“(i) manufactured during the period beginning on July 1, 2008, and ending on June 30, 2013; and

“(ii) made available by the manufacturer as a service part or a spare part for an end-use product.

“(I) that constitutes the primary load; and

“(II) was manufactured before July 1, 2008.

“(C) MARKING.—Any class A external power supply manufactured on or after the later of July 1, 2008 or the date of enactment of this paragraph shall be clearly and permanently marked in accordance with the External Power Supply International Efficiency Marking Protocol, as referenced in the Energy Star Program Requirements for Single Voltage External AC-DC and AC-AC Power Supplies, version 1.1 published by the Environmental Protection Agency.

“(D) AMENDMENT OF STANDARDS.—

“(i) FINAL RULE BY JULY 1, 2011.—

“(II) IN GENERAL.—Not later than July 1, 2011, the Secretary shall publish a final rule to determine whether the standards established under subparagraph (A) should be amended.

“(II) ADMINISTRATION.—The final rule shall—

“(aa) contain any amended standards; and

“(bb) apply to products manufactured on or after July 1, 2013.

“(II) FINAL RULE BY JULY 1, 2015.—

“(1) IN GENERAL.—Not later than July 1, 2015 the Secretary shall publish a final rule to determine whether the standards then in effect should be amended.

“(2) ADMINISTRATION.—The final rule shall—

“(aa) contain any amended standards; and

“(bb) apply to products manufactured on or after July 1, 2017.

“(7) END-USE PRODUCTS.—An energy conservation standard for external power supplies shall not constitute an energy conservation standard for the separate end-use product to which the external power supplies is connected.

SEC. 302. UPDATING APPLIANCE TEST PROCEDURES.

(a) CONSUMER APPLIANCES.—Section 325(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6295(b)(1)) is amended by striking “(1)” and all that follows through the end of the paragraph and inserting the following:

“(1) TEST PROCEDURES.—

“(A) AMENDMENT.—At least once every 7 years, the Secretary shall conduct an evaluation of each class of covered equipment and—

“(ii) if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraphs (2) and (3), shall prescribe test procedures for the class in accordance with this section; or

“(iii) shall publish notice in the Federal Register of any determination not to amend a test procedure.”.

(b) INDUSTRIAL EQUIPMENT.—Section 343(a) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)) is amended by striking “(a)” and all that follows through the end of paragraph (1) and inserting the following:

“(a) PRESCRIPTION BY SECRETARY; REQUIREMENTS.—

“(1) TEST PROCEDURES.—

“(A) AMENDMENT.—At least once every 7 years, the Secretary shall conduct an evaluation of each class of covered equipment and—

“(ii) if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraphs (2) and (3), shall prescribe test procedures for the class in accordance with this section; or

“(iii) shall publish notice in the Federal Register of any determination not to amend a test procedure.”.

“(2) SCHEDULE OF EFFICIENCY DESIGN REQUIREMENTS.—

“(A) IN GENERAL.—Subject to subparagraphs (B) and (C), boilers manufactured on or after September 1, 2012, shall meet the following requirements:

<table>
<thead>
<tr>
<th>Boiler Type</th>
<th>Minimum Annual Fuel Utilization Efficiency</th>
<th>Design Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Hot Water</td>
<td>82%</td>
<td>No Constant Burning Pilot, Automatic Means for Adjusting Water Temperature</td>
</tr>
<tr>
<td>Gas Steam</td>
<td>80%</td>
<td>No Constant Burning Pilot</td>
</tr>
<tr>
<td>Oil Hot Water</td>
<td>84%</td>
<td>Automatic Means for Adjusting Water Temperature</td>
</tr>
<tr>
<td>Oil Steam</td>
<td>82%</td>
<td>None</td>
</tr>
<tr>
<td>Electric Hot Water</td>
<td>None</td>
<td>Automatic Means for Adjusting Water Temperature</td>
</tr>
<tr>
<td>Electric Steam</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

“(B) AUTOMATIC MEANS FOR ADJUSTING WATER TEMPERATURE.—

“(1) IN GENERAL.—The manufacturer shall equip each gas, oil, and electric hot water boiler (other than a boiler equipped with a tankless domestic water heating coil) with automatic means for adjusting the temperature of the water supplied by the boiler to ensure that an incremental change in inferred heat load produces a corresponding incremental change in the temperature of water supplied.

“(II) SINGLE INPUT RATE.—For a boiler that fires at 1 input rate, the requirements of this subparagraph may be satisfied by providing an automatic means that allows the burner or heating element to fire only when the means has determined that the inferred heat load cannot be met by the residual heat of the water in the system.

“(III) NO INFERRED HEAT LOAD.—When there is no inferred heat load with respect to a hot water boiler, the automatic means described in clause (i) and (ii) shall limit the temperature of the water in the boiler to not more than 140 degrees Fahrenheit.

“(IV) OPERATION.—A boiler described in clause (i) or (ii) shall be operable only when the automatic means described in clauses (i), (ii), and (iii) is installed.

“(C) EXCEPTION.—A boiler that is manufactured to operate without any need for electric tricity or any electric connection, electric gauges, electric pumps, electric wires, or electric devices shall not be required to meet the requirements of this paragraph.”.

SEC. 304. FURNACE FAN STANDARD PROCESS.

Paragraph (4)(D) of section 325(f) of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)) (as redesignated by section 303(4)) is amended by striking “the Secretary may” and inserting “not later than December 31, 2013, the Secretary shall”.

SEC. 305. IMPROVING SCHEDULE FOR STANDARDS UPDATING AND CLARIFYING STATE AUTHORITY.

(a) CONSUMER APPLIANCES.—Section 325 of the Energy Policy and Conservation Act (42...
U.S.C. 629g) is amended by striking subsection (m) and inserting the following:—

“(m) AMENDMENT OF STANDARDS.—

“(I) IN GENERAL.—Not later than 6 years after a determination under paragraph (4)(B), an amendment prescribed under subparagraph (A) shall apply to products manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard; and

“(II) with respect to central air conditioners, heat pumps, water heaters, pool heaters, direct heating equipment, and furnaces, such a product that is manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard.

“(B) OTHER NEW STANDARDS.—A manufacturer shall not be required to apply new standards to products manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard.

“(II) A LASKA AND HAWAII.—If the Secretary determines, by rule published in the Federal Register, and supported by clear and convincing evidence, that adoption of a uniform national standard for a product would result in significant additional conservation of energy and is technologically feasible, a regional standard established by the Secretary may establish a regional standard for a product that is applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(III) BOUNDARIES OF GEOGRAPHIC REGIONS.—

“(A) IN GENERAL.—Subject to clause (ii), the boundaries of additional geographic regions established by the Secretary under this paragraph shall include only contiguous States.

“(B) ALASKA AND HAWAII.—The States of Alaska and Hawaii may be included under this paragraph in a geographic region that the States are not contiguous to.

“(C) INDIVIDUAL STATES.—Individual States shall be placed only into a single region under this paragraph.

“(D) PREREQUISITES.—In establishing additional regional standards under this paragraph, the Secretary shall—

“(I) establish additional regional standards only if the Secretary determines that—

“(i) the establishment of additional regional standards will produce significant energy savings in comparison to establishing only a single national standard; and

“(ii) the additional regional standards are economically justified under this paragraph; and

“(ii) consider the impact of the additional regional standards on consumers, manufacturers, and other persons, including product distributors, dealers, contractors, and installers.

“(E) APPLICATION; EFFECTIVE DATE.—

“(A) BASE NATIONAL STANDARD.—Any base national standard established for a product under this paragraph shall—

“(I) be the minimum standard for the product; and

“(II) apply to all products manufactured or imported into the United States on and after the effective date for the standard.

“(B) REGIONAL STANDARDS.—Any additional and more restrictive regional standard established for a product under this paragraph shall apply to any such product in the States in which the Secretary has designated the standard to apply.
(F) CONTINUATION OF REGIONAL STANDARDS. —

(i) IN GENERAL.—In any subsequent rulemaking for any product for which a regional standard was previously established, the Secretary shall determine whether to continue the establishment of separate regional standards for the product.

(ii) AN EXISTING REGIONAL STANDARD NO LONGER APPROPRIATE.—Except as provided in clause (iii), if the Secretary determines that regional standards are no longer appropriate for a product beginning on the effective date of the amended standard for the product: —

(1) there shall be 1 national standard for the product with Federal enforcement; and —

(2) the geographic definition of a region so revised base national standard.

(iii) REGIONAL STANDARD APPROPRIATE BUT REGIONAL STANDARD OR REGION CHANGED.—

(1) STATE NO LONGER CONTAINED IN REGION.—Subject to subclause (III), if a State is no longer contained in a region in which a regional standard that is more stringent than the base national standard applies, the authority of the State to enforce the regional standard shall terminate.

(II) REGION REVISITED SO THAT EXISTING REGIONAL STANDARD EQUALS BASE NATIONAL STANDARD.—If the Secretary re- vises a base national standard for a product or the geographic definition of a region so that an existing regional standard for a State is equal to the revised base national standard: —

(aa) the authority of the State to enforce the regional standard shall terminate on the effective date of the revised base national standard, and —

(bb) the State shall be subject to the revised base national standard.

(III) STANDARD OR REGION REVISITED SO THAT EXISTING REGIONAL STANDARD EQUALS BASE NATIONAL STANDARD.—If the Secretary revises a base national standard for a product or the geographic definition of a region so that an existing regional standard for a State is equal to the previously approved regional standard, the State may continue to enforce the previously approved standard level.

(IV) FEDERAL PREEMPTION.—Nothing in this paragraph diminishes the au- thority of a State to enforce a State regulation for which a waiver of Federal preemp- tion has been granted under section 327(d).

(G) ENFORCEMENT.—

(i) BASE NATIONAL STANDARD.—

(1) IN GENERAL.—The Secretary shall en- force a base national standard.

(II) TRADE ASSOCIATION CERTIFICATION PROGRAMS.—In enforcing the base national standard, the Secretary shall use, to the maximum extent practicable, national standard nationally recognized certification programs of trade associations.

(iii) REGIONAL STANDARDS.—

(1) ENFORCEMENT PLAN.—Not later than 90 days after the date of the issuance of a final rule that establishes a regional standard, the Secretary shall initiate a rulemaking to de- velop and implement an effective enforce- ment plan for regional standards for the products that are covered by the final rule.

(2) RESPONSIBLE ENTITIES.—Any rules re- garding a regional standard established, the Secretary shall clearly specify which entities are re- gionally responsible for compliance with the standards and for making any required infor- mation disclosures.

(III) FINAL RULE.—Not later than 15 months after the date of the issuance of a final rule that establishes a regional standard for a product, the Secretary shall promulgate a final rule covering enforcement of regional standards for the product.

(IV) INCORPORATION BY STATES AND LOCALITIES.—A State or locality may incorporate any Federal regional standard into State or local building codes or State appliance standards.

(V) STATE ENFORCEMENT.—A State agency may seek enforcement of a Federal regional standard in a Federal court of competent ju- risdiction.

(H) INFORMATION DISCLOSURE.—

(i) IN GENERAL.—Not later than 90 days after the date of the publication of a final rule establishing a regional standard for a product, the Federal Trade Commission shall undertake a rulemaking to determine the appropriate 1 or more methods for disclosing information to consumers, dis- tributors, contractors, and installers so that they may easily determine whether a specific piece of equipment that is installed in a specific building is in conformance with the regional standard that applies to the building.

(ii) METHODS.—A method of disclosing in- formation under clause (i) may include—

(D) modifications to the Energy Guide label; or

(2) other methods that make it easy for consumers and installers to use and under- stand at the point of installation.

(iii) COMPLETION OF RULEMAKING.—The rulemaking shall be completed not later than 15 months after the date of the publication of a final rule establishing a regional standard for a product.

(b) PROHIBITED ACTS.—Section 322(a) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)) is amended by adding at the end the following:

(1) in paragraph (4), by striking ‘‘or’’ after the semicolon at the end;

(2) in paragraph (5), by striking ‘‘part,’’ and inserting ‘‘part, except to the extent that the new covered product is covered by a regional standard that is more stringent than the base national standard; or’’; and —

(3) by adding the following:

‘‘(ii) for any manufacturer or private labeler to knowingly sell a product to a dis- tributor, contractor, or dealer with knowl- edge that the entity routinely violates any regional standard applicable to the prod- uct.’’

(c) CONSIDERATION OF PRICES AND OPER- ATING PATTERNS.—Section 322(a)(6)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)(6)(B)) is amended by adding at the end the following:

‘‘(c) CONSIDERATION OF PRICES AND OPER- ATING PATTERNS.—If the Secretary is consid- ering revised standards for air-cooled 3-phase central air conditioning heat pumps with less than 208.3 volts and 60 hertz per inverter, the Secretary shall use commercial energy prices and operating patterns in all analyses conducted by the Secretary.’’

SEC. 307. PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.

Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)) is amended—

(1) by striking paragraph (1); and —

(2) by redesigning paragraphs (2) through (4) as paragraphs (1) through (3), respect- ively.

SEC. 308. EXPEDITED RULEMAKINGS.

(a) PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.—Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)) (as amended by section 307) is amended by adding at the end the following:

‘‘(d) TIMELINES FOR FINAL RULES.—(A) IN GENERAL.—On receipt of a state- ment that is submitted jointly by interested persons that are fairly representative of re- spective points of view (including representa- tives of manufacturers of covered products, States, and efficiency advocates), as deter- mined by the Secretary, and contains recom- mendations with respect to an energy or water conservation standard—

(1) if the Secretary determines that the recom- mendations contained in the statement is in accordance with subsection (o) or section 324(a)(6)(B), as applicable, the Secretary may issue a final rule that estab- lishes the energy or water conservation standard and is published simultaneously with a notice of proposed rulemaking that proposes a new or amended energy or water conservation standard, and a statement to the standard established in the final rule to establish the recommended standard (re- ferred to in this paragraph as a ‘‘direct final rule’'); or —

(ii) if the Secretary determines that a di- rect final rule cannot be issued based on the statement, the Secretary shall publish a no- tice of the determination, together with an explanation of the reasons for the determina- tion.

(b) PUBLIC COMMENT.—The Secretary shall solicit public comment for a period of at least 110 days with respect to each direct final rule issued by the Secretary under subpara- graph (A)(i).

(c) WITHDRAWAL OF DIRECT FINAL RULES.—

(i) IN GENERAL.—Not later than 120 days after the date on which a direct final rule issued under subparagraph (A)(i) is published in the Federal Register, the Secretary shall withdraw the direct final rule if—

(1) the Secretary receives 1 or more ad- verse public comments relating to the direct final rule under subparagraph (B)(i) or any alternative joint recommendation; and —

(2) based on the rulemaking record relat- ing to the direct final rule, the Secretary de- termines that such adverse public comments or alternative joint recommendation may provide a reasonable basis for withdrawing the direct final rule under subsection (o), section 322(a)(6)(B), or any other applicable law.

(ii) ACTION ON WITHDRAWAL.—On with- drawal of a direct final rule under clause (i), the Secretary shall—

(1) proceed with the notice of proposed rulemaking published simultaneously with the direct final rule as described in subpara- graph (A)(i); and —

(2) publish in the Federal Register the reasons why the direct final rule was with- drawn.

(iii) TREATMENT OF WITHDRAWN DIRECT FINAL RULES.—A direct final rule that is withdrawn under clause (i) shall not be consid- ered to be a final rule for purposes of sub- section (o).

(4) EFFECT OF PARAGRAPH.—Nothing in this paragraph authorizes the Secretary to issue a direct final rule based solely on re- ceipt of more than 1 statement containing recommended standards relating to the di- rect final rule.’’

(b) CONFORMING AMENDMENT.—Section 355(b)(1) of the Energy Policy and Conserva- tion Act (42 U.S.C. 6116(b)(1)) is amended in the first sentence by inserting ‘‘section 325(p)’’ before ‘‘The provisions of’’.

SEC. 309. BATTERY CHARGERS.


(a) by striking ‘‘(E)(i) Not’’ and inserting the following:

‘‘(E) EXTERNAL POWER SUPPLIES AND BAT- tery chargers.—

(1) ENERGY CONSERVATION STANDARDS.—

(i) EXTERNAL POWER SUPPLIES.—‘‘Not’’;

(ii) by striking ‘‘3 years’’ and inserting ‘‘2 years’’;

(iii) by striking ‘‘battery chargers and’’ and inserting ‘‘battery charger and’’.

(b) CONFORMING AMENDMENT.—Section 355(b)(1) of the Energy Policy and Conserva- tion Act (42 U.S.C. 6116(b)(1)) is amended—

(1) by striking the first sentence and inserting the following:

‘‘(E) EXTERNAL POWER SUPPLIES.—

(i) ENERGY CONSERVATION STANDARDS.—

(ii) EXTERNAL POWER SUPPLIES.—Not’’;
(II) BATTERY CHARGERS.—Not later than July 1, 2011, the Secretary shall issue a final rule that prescribes energy conservation standards for battery chargers or classes of battery chargers or determinates that no energy conservation standard is technically feasible and economically justified."

SEC. 310. STANDBY MODE.
Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6265) is amended—
(1) in subsection (u)—
(A) by striking paragraphs (2), (3), and (4); and
(B) by redesignating paragraph (5) and (6) as paragraphs (2) and (3), respectively;
(2) by redesignating subsection (gg) as subsection (hh);
(3) by inserting after subsection (ff) the following:
``(gg) STANDBY MODE ENERGY USE.—
(1) DEFINITIONS.—
(A) IN GENERAL.—Unless the Secretary determines otherwise pursuant to subparagraph (B), in this subsection:
(i) the term ‘active mode’ means the condition in which an energy-using product—
(I) is connected to a main power source; and
(II) is not providing any standby or active mode function.
(ii) the term ‘standby mode’ means the condition in which an energy-using product—
(I) is connected to a main power source; and
(II) offers 1 or more of the following user-oriented or protective functions:
(aa) To facilitate the activation or deactivation of other functions (including active
mode) by remote switch (including remote control), internal sensor, or timer.
(bb) Continuous functions, including information or status displays (including clocks or sensor-based functions).
(B) AMENDED DEFINITIONS.—The Secretary may, by rule, amend the definitions under subparagraph (A), taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission.
(2) TEST PROCEDURES.—
(A) IN GENERAL.—Test procedures for all covered products shall be amended pursuant to section 325 to include standby mode and off mode energy consumption, taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission, with such energy consumption integrated into the overall energy efficiency, energy consumption, or other energy descriptor for each covered product, unless the Secretary determines that—
(i) the current test procedures for a covered product already fully account for and incorporate the standby mode and off mode energy consumption of the covered product; or
(ii) such an integrated test procedure is technically infeasible for a particular covered product, in which case the Secretary shall prescribe a separate standby mode and off mode energy test procedure for the covered product, if technically feasible.
(B) DEADLINES.—The test procedures amendments required by subparagraph (A) shall be prescribed in a final rule no later than the following dates:
(i) December 31, 2008, for battery chargers and external power supplies;
(ii) March 31, 2009, for clothes dryers, room air conditioners, and fluorescent lamp ballasts;
(iii) June 30, 2009, for residential clothes washers.
(3) REFRIGERATORS AND FREEZERS MANUFACTURED ON OR AFTER JANUARY 1, 2014.—
(A) IN GENERAL.—Subject to subparagraph (B), based on the test procedures required under paragraph (2), any final rule establishing or revising a standard for a covered product, adopted after July 1, 2010, shall incorporate standby mode and off mode energy use into a single amended or new standard, pursuant to subsection (o), if feasible.
(B) SEPARATE STANDARDS.—If not feasible, the Secretary shall prescribe within the final rule a separate standard for standby mode and off mode energy consumption, if justifiable under subsection (a); and
(4) in paragraph (2) of subsection (hh) (as redesignated by paragraph (2), by striking ‘‘(ff)’’ each place it appears and inserting ‘‘(ee)’’.

SEC. 311. ENERGY STANDARDS FOR HOME APPLIANCES.
(a) APPLIANCES.—
(1) DEHUMIDIFIERS.—Section 323(cc) of the Energy Policy and Conservation Act (42 U.S.C. 6296(cc)) is amended by striking paragraph (2) and inserting the following:
``(2) DEHUMIDIFIERS MANUFACTURED ON OR AFTER OCTOBER 1, 2012.—Dehumidifiers manufactured on or after October 1, 2012, shall have an Energy Factor that meets or exceeds the following values:

<table>
<thead>
<tr>
<th>Product Capacity (pints/day):</th>
<th>Minimum Energy Factor (liters/KWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 35.00</td>
<td>1.35</td>
</tr>
<tr>
<td>35.01-45.00</td>
<td>1.50</td>
</tr>
<tr>
<td>45.01-54.00</td>
<td>1.60</td>
</tr>
<tr>
<td>54.01-75.00</td>
<td>1.70</td>
</tr>
<tr>
<td>Greater than 75.00</td>
<td>2.5.</td>
</tr>
</tbody>
</table>

(2) RESIDENTIAL CLOTHES WASHERS AND RESIDENTIAL DISHWASHERS.—Section 325(g) of the Energy Policy and Conservation Act (42 U.S.C. 6265(g)) is amended by adding at the end the following:
``(g) STANDBY MODE ENERGY USE.—
(1) DEFINITIONS.—
(A) IN GENERAL.—A dishwasher manufactured on or after January 1, 2010, shall have—
(i) a Modified Energy Factor of at least 1.26; and
(ii) a water factor of not more than 9.5.
(B) AMENDMENT OF STANDARDS.—
(i) IN GENERAL.—Not later than December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards in effect for clothes washers manufactured on or after January 1, 2010, shall have—
(ii) a Modified Energy Factor of at least 1.28; and
(iii) a water factor of not more than 9.5.
(B) AMENDMENT OF STANDARDS.—
(i) IN GENERAL.—Not later than January 1, 2015, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2018, shall have—
(ii) a Compact Energy Factor of not less than 1.26 and 4.5 gallons per cycle.
(C) AMENDMENT OF STANDARDS.—The final rule shall contain any amended standards.
(3) RESIDENTIAL DISHWASHERS MANUFACTURED ON OR AFTER JANUARY 1, 2010.—
(A) IN GENERAL.—A dishwasher manufactured on or after January 1, 2010, shall—
(i) for a standard size dishwasher not exceed 355 kWh/year and 6.5 gallon per cycle; and
(ii) for a compact size dishwasher not exceed 260 kWh/year and 4.5 gallons per cycle.
(B) AMENDMENT OF STANDARDS.—
(i) IN GENERAL.—Not later than January 1, 2015, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2018, shall have—
(ii) a Compact Energy Factor of not less than 1.26 and 4.5 gallons per cycle.
(C) REFRIGERATORS AND FREEZERS.—Section 325(b) of the Energy Policy and Conservation Act (42 U.S.C. 6296(b)) is amended by adding at the end the following:
``(4) REFRIGERATORS AND FREEZERS MANUFACTURED ON OR AFTER JANUARY 1, 2014.—
(A) IN GENERAL.—Not later than December 31, 2010, the Secretary shall publish a final rule determining whether to amend the standards in effect for refrigerators, refrigerator-freezers, and freezers manufactured on or after January 1, 2014.
(B) AMENDED STANDARDS.—The final rule shall contain any amended standards.
(iv) September 30, 2009, for residential furnaces and boilers.
(v) March 31, 2010, for residential water heaters, direct heating equipment, and pool heaters.
(vi) March 31, 2011, for residential dishwashers, ranges and ovens, microwave ovens, and dehumidifiers.
(C) PRIOR PRODUCT STANDARDS.—The test procedure amendments adopted pursuant to subparagraph (B) shall not be used to determine compliance with product standards established prior to the adoption of the amended test procedures.
(D) INCORPORATION INTO STANDARD.—
(A) IN GENERAL.—Subject to subparagraph (B), based on the test procedures required under paragraph (2), any final rule establishing or revising a standard for a covered product, adopted after July 1, 2010, shall incorporate standby mode and off mode energy use into a single amended or new standard, pursuant to subsection (o), if feasible.
(E) SEPARATE STANDARDS.—If not feasible, the Secretary shall prescribe within the final rule a separate standard for standby mode and off mode energy consumption, if justifiable under subsection (a); and
(4) in paragraph (2) of subsection (hh) (as redesignated by paragraph (2), by striking ‘‘(ff)’’ each place it appears and inserting ‘‘(ee)’’.

SEC. 312. WALK-IN COOLERS AND WALK-IN FREEZERS.
(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended—
(1) in paragraph (1)—
(A) by redesigning subparagraphs (G) through (K) as subparagraphs (H) through (L), respectively; and
(B) by inserting after subparagraph (F) the following:
``(G) Walk-in coolers and walk-in freezers.;"
(2) by redesigning paragraphs (20) and (21) as paragraphs (22) and (23), respectively; and
(3) by inserting after paragraph (19) the following:
``(20) WALK-IN COOLER; WALK-IN FREEZER.—
(A) IN GENERAL.—The terms ‘walk-in cooler’ and ‘walk-in freezer’ mean an enclosed storage space refrigerated to temperatures,
respectively, above, and at or below 32 degrees Fahrenheit that can be walked into, and has a total chilled storage area of less than 3,000 square feet.

"(5) EXCLUSION.--The terms ‘walk-in cooler' and ‘walk-in freezer' do not include products designed and marketed exclusively for medical, scientific, or research purposes.

(b) Section 342 of the Energy Policy and Conservation Act (42 U.S.C. 6313) is amended by adding at the end the following:

"(1) WALK-IN COOLERS AND WALK-IN FREEZERS.--

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), each walk-in cooler or walk-in freezer manufactured on or after January 1, 2009, shall—

"(A) have automatic door closers that firmly close all walk-in doors that have been closed to within 1 inch of full closure, except that this subparagraph shall not apply to doors wider than 3 feet 9 inches or taller than 7 feet;

"(B) have strip doors, spring hinged doors, or other method of minimizing infiltration or other method of minimizing infiltration that this subparagraph shall not apply to glazed portions of doors nor to structural members;

"(C) contain wall, ceiling, and door insulation of at least R-25 for coolers and R-32 for freezers; except that this subparagraph shall not apply to glazed portions of doors or structural members; and

"(D) contain door insulation of at least R-28 for coolers and R-35 for freezers.

"(2) ELECTRONICALLY COMMUTATED MOTORS.—

"(i) electronically commutated motors (brushless direct current motors); or

"(ii) 3-phase motors; and

"(iii) 3-phase motors; and

"(G) for all interior lights, use light sources with an efficacy of 40 lumens per watt or more, including ballast losses (if any), except that light sources with an efficacy of 40 lumens per watt or less, including ballast losses (if any), may be used in conjunction with a timer or device that turns off the light within 15 minutes of when the walk-in cooler or walk-in freezer is not occupied by people.

"(3) ELECTRONICALLY COMMUTATED MOTORS.—

"(A) IN GENERAL.—The requirements of paragraph (1)(E)(i) for electronically commutated motors shall take effect January 1, 2009, unless, prior to that date, the Secretary determines that such motors are only available from 1 manufacturer.

"(B) OTHER TYPES OF MOTORS.—In carrying out paragraph (1)(E)(i) and subparagraph (A), the Secretary may allow other types of motors if the Secretary determines that, on average, those motors use no more energy than applications to electronically commutated motors.

"(C) MAXIMUM ENERGY CONSUMPTION LEVEL.—The Secretary shall establish the maximum consumption level under paragraph (B) not later than January 1, 2010.

"(D) ADDITIONAL SPECIFICATIONS.—Each walk-in cooler or walk-in freezer with transparent reach-in doors manufactured on or after January 1, 2009, shall also meet the following specifications:

"(A) EACH WALK-IN DOOR FOR WALK-IN FREEZERS AND WINDOWS IN WALK-IN COOLERS SHALL BE—

"(i) double-pane glass with heat-reflective treated glass and gas fill;

"(ii) triple-pane glass with either heat-reflective treated glass or gas fill;

"(B) EACH WALK-IN DOOR FOR WALK-IN COOLERS AND WINDOWS IN WALK-IN COOLERS SHALL BE—

"(i) for calculating the R value for freezers, the K factor of the foam at 20°F (average foam temperature) shall be used.

"(ii) for calculating the R value for coolers, the K factor of the foam at 55°F (average foam temperature) shall be used.

"(C) IN GENERAL.—Not later than January 1, 2010, the Secretary shall establish a test procedure to measure the energy-use of walk-in coolers and walk-in freezers.

"(D) COMPUTER MODELING.—The test procedure may be based on computer modeling, if

the computer model or models have been verified using the results of laboratory tests on a significant sample of walk-in coolers and walk-in freezers.

"(D) LABELING.—Section 342(e) of the Energy Policy and Conservation Act (42 U.S.C. 6315(e)) is amended by inserting ‘walk-in coolers and walk-in freezers,' after ‘commercial clothes washers', each place it appears and inserting ‘walk-in coolers and walk-in freezers,' after ‘commercial clothes washers,' each place it appears.

"(E) ADMINISTRATION, PENALTIES, ENFORCEMENT, AND PREEMPTION.—Section 345 of the Energy Policy and Conservation Act (42 U.S.C. 6316) is amended—

"(1) by striking ‘subparagraphs (B), (C), (D), (E), and (F),‘ each place it appears and inserting ‘subparagraphs (B) through (G),'; and

"(2) by adding at the end the following:

"(B) WALK-IN COOLERS AND WALK-IN FREEZERS.—

"(1) COVERED TYPES.—

"(A) RELATIONSHIP TO OTHER LAW.—

"(i) IN GENERAL.—Except as otherwise provided in this subsection, section 327 shall apply to walk-in coolers and walk-in freezers for which standards have been established under paragraphs (1), (2), and (3) of section 327 to the same extent and in the same manner as the section applies under part A on the date of enactment of this subsection.

"(ii) STATE STANDARDS.—Any State standard prescribed before the date of enactment of this subsection shall not be preempted until the standards established under paragraphs (1) and (2) of section 327(f) take effect.

"(B) ADMINISTRATION.—In applying section 327 to equipment under subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

"(C) FINAL RULE NOT TIMELY.—

"(A) IN GENERAL.—If the Secretary does not issue a final rule for a specific type of walk-in cooler or walk-in freezer within the time frame established under paragraph (4) or (5) of section 327(f), subsections (b) and (c) of section 327 shall no longer apply to the specific type of walk-in cooler or walk-in freezer during the period—

"(i) beginning on the day after the scheduled date for a final rule, and

"(ii) ending on the date on which the Secretary publishes a final rule covering the specific type of walk-in cooler or walk-in freezer.

"(D) STATE STANDARDS.—Any State standard issued before the publication of the final rule shall not be preempted until the standards established in the final rule take effect.

"(1) by redesignating subparagraph (13) (A) through (F) as subparagraphs (C) through (1), respectively; and

"(2) by striking ‘‘(13)(A)’’ and all that follows through the end of subparagraph (A) and inserting the following:

"(13) ELECTRIC MOTOR.—

"(A) GENERAL PURPOSE ELECTRIC MOTOR (TYPE 1).—The term ‘general purpose electric motor (type 1)’ means any motor that meets the definition of ‘General Purpose’ as established in the final rule issued

"(B) PERFORMANCE-BASED STANDARDS.—

"(1) IN GENERAL.—Not later than January 1, 2012, the Secretary shall publish performance-based standards for walk-in coolers and walk-in freezers that achieve the maximum improvement in energy that the Secretary determines is technologically feasible and economically justified.

"(2) APPLICATION.—

"(i) IN GENERAL.—Except as provided in clause (ii), the standards shall apply to products described in subparagraph (A) that are manufactured beginning on the date that is 3 years after their publication.

"(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for those products.

"(B) AMENDMENT OF STANDARDS.—

"(A) IN GENERAL.—Not later than January 1, 2020, the Secretary shall publish a final rule to determine if the standards established under paragraph (4) should be amended.

"(B) APPLICATION.—

"(1) IN GENERAL.— Except as provided in clause (ii), the rule shall provide that the standards shall apply to products manufactured beginning on the date that is 3 years after the final rule is published.

"(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for those products.

"(C) TEST PROCEDURES.—Section 345(a) of the Energy Policy and Conservation Act (42 U.S.C. 6314(a)) is amended by adding at the end the following:

"(9) WALK-IN COOLERS AND WALK-IN FREEZERS.—

"(1) IN GENERAL.—For the purpose of test procedures for walk-in coolers and walk-in freezers:

"(i) the R value shall be the K factor multiplied by the thickness of the panel;

"(ii) the K factor shall be based on ASTM test procedure C518-2004;

"(iii) for calculating the R value for freezers, the K factor of the foam at 20°F (average foam temperature) shall be used.

"(iv) for calculating the R value for coolers, the K factor of the foam at 55°F (average foam temperature) shall be used.

"(B) COMPUTER MODELING.—The test procedure may be based on computer modeling, if

’(B) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE I)—Every motor (subtype I) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on the date of enactment of the Energy Independence and Security Act of 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG 1—2006 (Table 12-11).

’(C) GENERAL PURPOSE ELECTRIC MOTORS (SUBTYPE II)—Each general purpose electric motor (subtype II) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on the date of enactment of the Energy Independence and Security Act of 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG 1—2006 (Table 12-11).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) take effect on the date that is 3 years after the date of enactment of this Act.

SEC. 314. STANDARDS FOR SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND HEAT PUMPS.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6313) is amended by adding at the end the following:

’(22) SINGLE PACKAGE VERTICAL AIR CONDITIONER.—The term ‘single package vertical air conditioner’ means air-cooled commercial package air conditioning and heating equipment that

’(A) is factory-assembled as a single package that

’(i) has major components that are arranged vertically;

’(ii) is an encased combination of cooling and optional heating components; and

’(iii) is intended for exterior mounting, adjacent interior to, or through an outside wall;

’(B) is powered by a single- or 3-phase current;

’(C) may contain 1 or more separate indoor grilles, outdoor louvers, various ventilation options, indoor free air discharges, ductwork, plenum, or sleeves; and

’(D) has heating components that may include electrical resistance, steam, hot water, or gas, but may not include reverse cycle refrigeration as a heating means.

’(23) SINGLE PACKAGE VERTICAL HEAT PUMP.—The term ‘single package vertical heat pump’ means a single package vertical air conditioner

’(A) uses reverse cycle refrigeration as its primary heat source; and

’(B) may include supplemental heating by means of electrical resistance, steam, hot water, or gas.

(b) STANDARDS.—Section 342(a) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)) is amended—

(1) in the first sentence of each of paragraphs (1) and (2), by inserting ‘(including single package vertical air conditioners and single package vertical heat pumps)’ after ‘heating equipment’ each place it appears;

(2) in paragraph (1), by striking ‘but before January 1, 2010,’;

(3) in the first sentence of each of paragraphs (8), (7), and (9), by inserting ‘(other than single package vertical air conditioners and single package vertical heat pumps)’ after ‘heating equipment’ each place it appears;

(4) paragraph (7), by striking ‘manufactured on or after January 1, 2010.’;

(b) in each of subparagraphs (A), (B), and (C), by striking ‘for equipment manufactured on or after January 1, 2010, ‘; and

(c) by adding at the end the following:

’(D) Forest products (including ‘‘single package vertical air conditioners and single package vertical heat pumps’’ manufactured on or after the later of January 1, 2008, or the date that is 180 days after the date of enactment of the Energy Independence and Security Act of 2007)

’(i) the minimum seasonal energy efficiency ratio of air-cooled 3-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 13.0;

’(ii) the minimum seasonal energy efficiency ratio of electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 13.0;

’(iii) the minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 7.7; and

’(iv) the minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 7.7.’’; and

(b) by adding at the end the following:

’(D) SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND SINGLE PACKAGE VERTICAL HEAT PUMPS.—

’(A) IN GENERAL.—Single package vertical air conditioners and single package vertical heat pumps manufactured on or after January 1, 2010, shall meet the following standards:

’(i) The minimum energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity) in the single-phase, shall be 9.0.

’(ii) The minimum energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity) in the three-phase, shall be 9.0.

’(iii) The minimum energy efficiency ratio of single package vertical air conditioners at above 65,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.5.

’(iv) The minimum energy efficiency ratio of single package vertical air conditioners at above 65,000 Btu per hour (cooling capacity), single-phase, shall be 9.6 and the minimum coefficient of performance in the heating mode shall be 3.0.

’(v) The minimum energy efficiency ratio of single package vertical heat pumps less than 65,000 Btu per hour (cooling capacity) but less than 135,000 Btu per hour (cooling capacity), shall be 8.9 and the minimum coefficient of performance in the heating mode shall be 3.0.

’(vi) The minimum energy efficiency ratio of single package vertical heat pumps at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.6 and the minimum coefficient of performance in the heating mode shall be 3.0.

’(vii) The minimum energy efficiency ratio of single package vertical heat pumps at or above 240,000 Btu per hour (cooling capacity) but less than 65,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.6 and the minimum coefficient of performance in the heating mode shall be 3.0.

(b) REVIEW.—Not later than 3 years after the date of enactment of this Act, the Secretary shall review the most recently published ASHRAE/IES Standard 90.1 with respect to single package vertical air conditioners and single package vertical heat pumps in accordance with procedures established under paragraph (6).

SEC. 315. IMPROVED ENERGY EFFICIENCY FOR APPLIANCES AND BUILDINGS IN COLD CLIMATES.

(a) RESEARCH.—Section 911(a)(2) of the Energy Policy Act of 2005 (42 U.S.C. 16191(a)(2)) is amended—

(1) in subparagraph (C), by striking ‘‘and’’ at the end;

(2) in subparagraph (D), by striking the period at the end and inserting ‘‘; and’’; and

(3) by adding at the end the following:

’(E) technologies to improve the energy efficiency of appliances and mechanical systems for buildings in cold climates, including combined heat and power units, and increased use of renewable resources, including fuel.’’;

(b) REBATES.—Section 124 of the Energy Policy Act of 2005 (42 U.S.C. 16821) is amended—

(1) in subsection (b)(1), by inserting ‘‘, or products with improved energy efficiency in cold climates,’’ after ‘‘residential Energy Star products’’; and

(2) in subsection (e), by inserting ‘‘or product with improved energy efficiency in a cold climate, such as after ‘‘residential Energy Star product’’ each place it appears.

SEC. 316. TECHNICAL CORRECTIONS.

(a) DEFINITION OF F96T12 LAMP.—

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on August 3, 2008.

(b) DEFINITION OF FLUORESCENT LAMP.—Section 321(30)(VIII) of the Energy Policy and Conservation Act (42 U.S.C. 6291(30)(VIII)) is amended by striking “92” and inserting “87.”

(c) MERCURY VAPOR LAMP BALLASTS.—

(1) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) (as amended by section 301(a)(2)) is amended—

(A) by striking paragraphs (46) through (48) and inserting the following:

“46 HIGH INTENSITY DISCHARGE LAMP.—

(A) IN GENERAL.—The term ‘high intensity discharge lamp’ means an electric-discharge lamp in which—

(i) the light-producing arc is stabilized by the arc tube wall temperature; and

(ii) the arc tube wall loading is in excess of 3 Watts/cm².

(B) INCLUSIONS.—The term ‘high intensity discharge lamp’ includes mercury vapor, metal halide, and high pressure sodium lamps described in subparagraph (A).

“47 MERCURY VAPOR LAMP.—

(A) IN GENERAL.—The term ‘mercury vapor high intensity discharge lamp in which the major portion of the light is produced by radiation from mercury typically operating at a partial vapor pressure in excess of 100,000 Pa (approximately 1 atm).’

(B) INCLUSIONS.—The term ‘mercury vapor lamp’ includes clear, phosphor-coated, and self-ballasted screw base lamps described in subparagraph (A).

“48 MERCURY VAPOR LAMP BALLAST.—

The term ‘mercury vapor lamp ballast’ means a device that is designed and marketed to start and operate mercury vapor lamps intended for general illumination by providing the necessary voltage and current; and

(B) by adding at the end the following:

“53 SPECIALTY APPLICATION MERCURY VAPOR LAMP BALLAST.—The term ‘specialty application mercury vapor lamp ballast’ means a device that is designed and marketed for the operating voltage range of at least partial within 110 and 130 volts.

“54 EXCLUSIONS.—The term ‘specialty application mercury vapor lamp’ does not include the following incandescent lamps:

(I) An appliance lamp.

(II) A black light lamp.

(III) A bug lamp.

(IV) An infrared lamp.

(V) A left-hand thread lamp.

(VI) A marine lamp.

(VII) A mine service lamp.

(VIII) A plant light lamp.

(IX) A reflector lamp.

(X) A rough service lamp.

(XI) A shatter-resistant lamp (including a shatter-proof lamp and a shatter-protected lamp).

(XII) A sign service lamp.

(XIII) A silver bowl lamp.

(XIV) A showcase lamp.

(XV) A 3-way incandescent lamp.

(XVI) A 4-way incandescent lamp.

(XVII) A 5-way incandescent lamp.

(XVIII) A 6-way incandescent lamp.

(XIX) A A lamp.

(XX) A B lamp.

(XXI) A C lamp.

(XXII) A D lamp.

(XXIII) A E lamp.

(XXIV) A F lamp.

(XXV) A G lamp.

(XXVI) A H lamp.

(XXVII) A I lamp.

(XXVIII) A J lamp.

(XXIX) A K lamp.

(XXX) A L lamp.

(XXXI) A M lamp.

(XXXII) A N lamp.

(XXXIII) A O lamp.

(XXXIV) A P lamp.

(XXXV) A Q lamp.

(XXXVI) A R lamp.

(XXXVII) A S lamp.

(XXXVIII) A T lamp.

(XXXIX) A U lamp.

(XXX) A V lamp.

(XXXI) A W lamp.

(XXXII) A X lamp.

(XXXIII) A Y lamp.

(XXXIV) A Z lamp.

“55 SPHERE.—The term ‘sphere’ means a lamp and lamp packaging (or lamp packaging materials) that is compliant with the EFFL-01-2001 and the EFFL-02-2001 Specifications for Electric Bases and similar configurations that are not certified to be compliant with the EFFL-01-2001 and the EFFL-02-2001 Specifications for Electric Bases and are not marketed with the ENERGY STAR® label.

“56 REFINEMENT.—The term ‘refinement’ means a lamp and lamp packaging (or lamp packaging materials) that is compliant with the EFFL-01-2001 and the EFFL-02-2001 Specifications for Electric Bases and similar configurations that are not certified to be compliant with the EFFL-01-2001 and the EFFL-02-2001 Specifications for Electric Bases and are not marketed with the ENERGY STAR® label.

“57 ENERGY CONSERVATION STANDARDS.—

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended—

(I) in subsection (1)—

(A) in the subsection heading, by striking “CHILDO FANS AND”;

(B) by striking paragraphs (1) and (2) of section 325 (as amended by section 301(a)(2));

(II) in subsection (2)—

(A) in paragraph (1)(A)—

(i) by striking clause (iii);

(ii) by redesignating clause (iv) as clause (iii); and

(iii) in clause (ii)(II) (as so redesignated), by inserting “fans sold for” before “outdoor”; and

(B) in paragraph (4)(C)—

(i) in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “paragraph (B)”; and

(ii) by striking clause (ii) and inserting the following:

“(ii) shall be packaged with lamps to fill all sockets;”;

(C) in paragraph (6), by redesigning subparagraphs (C) and (D) as clauses (i) and (ii), respectively, of subparagraph (B); and

(D) in paragraph (7), by striking “327” the second place it appears and inserting “324”.

Subtitle B—Lighting Energy Efficiency Standards—

SEC. 321. EFFICIENT LIGHT BULBS.—

(a) ENERGY EFFICIENCY STANDARDS FOR GENERAL SERVICE INCANDESCENT LAMPS.—

(1) DEFINITION OF GENERAL SERVICE INCANDESCENT LAMP.—Section 321(30) of the Energy Policy and Conservation Act (42 U.S. C. 6291(30)) is amended—

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

“(B) GENERAL SERVICE INCANDESCENT LAMP.—

(I) IN GENERAL.—The term ‘general service incandescent lamp’ means a standard incandescent or halogen type lamp that—

(i) is intended for general service applications;

(ii) has a medium screw base;

(iii) has a lumen range of not less than 310 lumens and not more than 2,600 lumens; and

(iv) is capable of being operated at a voltage range at least partially within 110 and 130 volts.

(B) INCLUSIONS.—The term ‘general service incandescent lamp’ includes—

(I) an incandescent lamp, an incandescent lamp made of a material that is not a colored incandescent lamp, and an incandescent lamp made of a material that is not a colored incandescent lamp made of a material that is not a colored incandescent lamp that—

(i) is specifically designed to operate in a household appliance, has a maximum wattage of 40 watts, and is sold at retail, including an oven lamp, refrigerator lamp, and vacuum cleaner lamp;

(ii) is designated and marketed for the intended application, with—

(I) the designation on the lamp packaging; and

(II) marketing materials that identify the lamp as being for appliance use.

(II) MARKETING MATERIALS.—

(a) CANDELABRA BASE INCANDESCENT LAMP.—The term ‘candelabra base incandescent lamp’ means a lamp that uses candelabra screw base as described in ANSI C78.1–2006, Specifications for Electric Bases, common designation E12.

(b) INTERMEDIATE BASE INCANDESCENT LAMP.—The term ‘intermediate base incandescent lamp’ means a lamp that uses an intermediate screw base as described in ANSI C81.61–2006, Specifications for Electric Bases, common designation E17.

(c) MODIFIED SPECTRUM.—The term ‘modified spectrum’ means, with respect to an incandescent lamp, an incandescent lamp that—

(i) is not a colored incandescent lamp; and

(ii) when operated at the rated voltage and wattage of the incandescent lamp—

(I) has a color point with (x,y) chromaticity coordinates on the Commission Internationale de l’Eclairage (C.I.E.) 1931 chromaticity diagram that lies below the black-body locus; and

(II) is a color point with (x,y) chromaticity coordinates on the C.I.E. 1931 chromaticity diagram that lies at least 4 MacAdam steps from the color point of a color mixture with the same filament and bulb shape, operated at the same rated voltage and wattage.

(d) ROUGH SERVICE LAMP.—The term ‘rough service lamp’ means a lamp that—

(I) employs 2 filaments, operated separately and in combination, to provide 3 light levels; and

(II) is designated and marketed specifically for ‘rough service’ applications, with—

(I) the designation appearing on the lamp packaging; and

(II) marketing materials that identify the lamp as being for rough service.

(e) 3-WAY INCANDESCENT LAMP.—The term ‘3-way incandescent lamp’ includes an incandescent lamp that—

(i) employs 2, 3, or 4 filaments, operated in series; and

(ii) is designated and marketed for the intended application, with—

(I) the designation on the lamp packaging; and

(II) marketing materials that identify the lamp as being a 3-way incandescent lamp.

(f) SHATTER-RESISTANT LAMP, SHATTER-PROOF LAMP, OR SHATTER-PROTECTED LAMP.—The terms ‘shatter-resistant lamp’, ‘shatter-proof lamp’, and ‘shatter-protected lamp’ mean a lamp that—

(I) has a coating or equivalent technology that is compliant with NSF/ANSI 5 and is designed to contain the glass if the glass envelope of the lamp is broken; and

(II) is designated and marketed for the intended application, with—

(I) the designation on the lamp packaging; and

(II) marketing materials that identify the lamp as being shatter-resistant, shatter-proof, or shatter-protected.

(g) VIBRATION SERVICE LAMP.—The term ‘vibration service lamp’ means a lamp that—

(I) has filament configurations that are C-5, C-7A, or C-9, as listed in Figure 6-12 of the 9th Edition of the IESNA Lighting Handbook, or similar configurations where lead wires are not counted as supports; and

(II) is designated and marketed specifically for ‘vibration service’ applications, with—

(I) the designation appearing on the lamp packaging; and

(II) marketing materials that identify the lamp as being for vibration service or vibration-resistant applications, with—
“(I) the designation appearing on the lamp packaging; and

“(II) marketing materials that identify the lamp as being vibration service only.

“[B] GENERAL SERVICE LAMP.—

“(I) IN GENERAL.—The term ‘general service lamp’ includes—

“(I) general service incandescent lamps;

“(II) compact fluorescent lamps;

“(III) general service light-emitting diode (LED or OLED) lamps; and

“(IV) any other lamps that the Secretary determines are used to satisfy lighting applications traditionally served by general service incandescent lamps.

“(II) EXCLUSIONS.—The term ‘general service lamp’ does not include—

“(I) any lighting application or bulb shape described in any of subclauses (I) through (XXII) of subparagraph (D)(ii); or

“(II) any general service fluorescent lamp or incandescent reflector lamp.

“(C) CANDELABRA INCANDESCENT LAMPS AND CANDELABRA BASE INCANDESCENT LAMPS.

“(i) C ANDELABRA BASE INCANDESCENT LAMPS.

“(I) any lighting application or bulb shape described in any of subclauses (I) through (XXII) of subparagraph (D)(ii); or

“(II) any general service fluorescent lamp or incandescent reflector lamp.

“(II) IN GENERAL.—The terms ‘light-emitting diode’ and ‘LED’ means a p-n junction solid state device the radiated output of which is a function of the physical construction, material used, and exciting current of the device.

“(III) OUTPUT.—The output of a light-emitting diode lamp is determined by:

“(I) the infrared region;

“(II) the visible region; or

“(III) the ultraviolet region.

“(D) ORGANIC LIGHT-EMITTING DIODE: OLED.—The terms ‘organic light-emitting diode’ and ‘OLED’ mean a thin-film light-emitting device that typically consists of a series of organic layers between 2 electrical contacts (electrodes).

“(EE) COLORED INCANDESCENT LAMP.—The term ‘colored incandescent lamp’ means an incandescent lamp designated and marketed as a colored lamp that has—

“(i) a color rendering index of less than 50, as determined according to the test method given in C.I.E. publication 13.3-1995; or

“(ii) a correlated color temperature of less than 2,500 K, or greater than 4,000 K, where correlated temperature is computed according to the Journal of Optical Society of America, Vol. 58, pages 1528-1535 (1966).”

“GENERAL SERVICE INCANDESCENT LAMPS

<table>
<thead>
<tr>
<th>Rated Lumen Ranges</th>
<th>Maximum Rate Wattage</th>
<th>Minimum Life (Lifetime)</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1490–2600</td>
<td>72</td>
<td>1,000 hrs</td>
<td>1/1/2012</td>
</tr>
<tr>
<td>1050–1489</td>
<td>53</td>
<td>1,000 hrs</td>
<td>1/1/2013</td>
</tr>
<tr>
<td>750–1049</td>
<td>43</td>
<td>1,000 hrs</td>
<td>1/1/2014</td>
</tr>
<tr>
<td>319–749</td>
<td>29</td>
<td>1,000 hrs</td>
<td>1/1/2014</td>
</tr>
</tbody>
</table>

“MODIFIED SPECTRUM GENERAL SERVICE INCANDESCENT LAMPS

<table>
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<tr>
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<th>Minimum Life (Lifetime)</th>
<th>Effective Date</th>
</tr>
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<td>1/1/2012</td>
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<td>1,000 hrs</td>
<td>1/1/2013</td>
</tr>
<tr>
<td>563–787</td>
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<td>1,000 hrs</td>
<td>1/1/2014</td>
</tr>
</tbody>
</table>

and

“(II) by striking subparagraph (B) and inserting the following:

“(B) APPLICATION.—

“(i) APPLICATION CRITERIA.—This subparagraph applies to each lamp that—

“(I) is intended for a general service or general illumination application (whether incandescent or not);

“(II) has a medium screw base or any other screw base not defined in ANSI C 62.1 2006;

“(III) is capable of being operated at a voltage at least partially within the range of 110 to 130 volts; and

“(IV) is manufactured or imported after December 31, 2011.

“(II) REQUIREMENT.—For purposes of this paragraph, each lamp described in clause (i) shall have a color rendering index that is greater than 50 to—

“(I) 80 for nonmodified spectrum lamps; or

“(II) 75 for modified spectrum lamps.

“(C) CANDELABRA INCANDESCENT LAMPS AND INTERMEDIATE BASE INCANDESCENT LAMPS.—

“(i) CANDELABRA BASE INCANDESCENT LAMPS.—A candelabra base incandescent lamp shall not exceed 60 rated watts.

“(ii) INTERMEDIATE BASE INCANDESCENT LAMPS.—An intermediate base incandescent lamp shall not exceed 60 rated watts.

“(D) EXEMPTIONS.—

“(i) PETITION.—Any person may petition the Secretary for an exemption for a type of general service lamp from the requirements of this subsection.

“(ii) CRITERIA.—The Secretary may grant an exemption under clause (i) only if the Secretary finds, after a hearing and opportunity for public comment, that it is not technically feasible to serve a specialized lighting application (such as a military, medical, public safety, or certified historic lighting application) using a lamp that meets the requirements of this subsection.

“(III) ADDITIONAL CRITERION.—To grant an exemption for a product under this subparagraph, the Secretary shall, as an additional criterion, that the exempted product is unlikely to be used in a general service lighting application.

“(EE) EXTENSION OF COVERAGE.—

“(i) PETITION.—Any person may petition the Secretary to establish standards for lamp shapes or bases that are excluded from the definition of general service lamps.

“(ii) INCREASED SALES OF EXEMPTED LAMPS.—The petition shall include evidence that the availability or sales of exempted incandescent lamp shapes or bases have increased significantly since the date on which the standards on general service incandescent lamps were established.

“(FF) CRITERIA.—The Secretary shall grant a petition under clause (i) if the Secretary finds that—

“(I) the petition presents evidence that demonstrates that commercial availability or sales of exempted incandescent lamp types have increased significantly since the standards on general service lamps were established and likely are being widely used in general lighting applications; and

“(II) significant energy savings could be achieved by covering exempted products, as determined by the Secretary based on sales data provided to the Secretary from manufacturers and importers.

“(GG) NO PRESUMPTION.—The grant of a petition under this subparagraph shall create no presumption with respect to the determination of the Secretary with respect to any criteria under a rulemaking conducted under this section.

“(HH) EXPEDITED PROCEEDING.—If the Secretary grants a petition for a lamp shape or base under this subparagraph, the Secretary shall—

“(I) conduct a rulemaking to determine standards for the exempted lamp shape or base; and

“(II) complete the rulemaking not later than 18 months after the date on which notice is provided granting the petition.

“(JJ) DEFINITION OF EFFECTIVE DATE.—In this paragraph, except as otherwise provided in a table contained in subparagraph (A), the term ‘effective date’ means the last day of the month specified in the table that follows October 24, 1992.

“(KK) IN paragraphs (5), in the first sentence, by striking ‘(and general service incandescent lamps’; and

“(LL) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

“(MM) by inserting after paragraph (5) the following:

“(2) COVERAGE.—Section 322(a)(14) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)(14)) is amended by inserting ‘, general service incandescent lamps,’” after “fluorescent lamps”.

“(3) ENERGY CONSERVATION STANDARDS.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended—

“(A) in subsection (i)—

“(I) the section heading, by inserting ‘, general service incandescent lamps, intermediate base incandescent lamps, candelabra base incandescent lamps,’” after “fluorescent lamps”;

“(BB) by inserting ‘, new maximum wattage,’ after ‘lamp efficacy’; and

“(CC) by inserting after the table entitled “INCANDESCENT REFLECTOR LAMP” the following:

“GENERAL SERVICE INCANDESCENT LAMPS

<table>
<thead>
<tr>
<th>Rated Lumen Ranges</th>
<th>Maximum Rate Wattage</th>
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</tbody>
</table>
‘‘(6) STANDARDS FOR GENERAL SERVICE LAMPS.—

‘‘(A) RULEMAKING BEFORE JANUARY 1, 2014.—

‘‘(i) IN GENERAL.—Not later than January 1, 2014, the Secretary shall initiate a rulemaking procedure to determine whether—

‘‘(I) standards in effect for general service incandescent lamps should be amended, as the Secretary shall publish a final rule no later than January 1, 2017, with an effective date that is not earlier than 3 years after the date on which the final rule is published.

‘‘(ii) the impact of any amendment on manufacturers, retreating and repurposing existing equipment, stranded investments, labor contracts, workers, and raw materials; and

‘‘(B) in subsection (b), by adding at the end the following:

‘‘(4) ENERGY EFFICIENCY STANDARDS FOR CERTAIN LAMPS.—

‘‘(A) IN GENERAL.—The Secretary shall prescribe an energy efficiency standard for rough service lamps, vibration service lamps, 3-way incandescent lamps, 2,601–3,300 lumen general service incandescent lamps, and shatter-resistant lamps only in accordance with this paragraph.

‘‘(B) BENCHMARKS.—Not later than 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall establish an energy conservation standard for vibration service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

‘‘(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for vibration service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) in general.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(II) complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall require vibration service lamps to—

‘‘(i) have a maximum 40-watt limitation; and

‘‘(ii) be sold at retail only in a package containing 1 lamp.

‘‘(C) VIBRATION SERVICE LAMPS.—

‘‘(B) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

‘‘(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for vibration service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) in general.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(II) complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall require vibration service lamps to—

‘‘(i) have a maximum 40-watt limitation; and

‘‘(ii) be sold at retail only in a package containing 1 lamp.

‘‘(D) 3-WAY INCandescent lamps.—

‘‘(B) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

‘‘(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) in general.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(II) complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall require—

‘‘(i) each filament in a 3-way incandescent lamp meet the new maximum wattage requirements for the range established under subsection (1)(A); and

‘‘(ii) 3-way lamps be sold at retail only in a package containing 1 lamp.

‘‘(E) VIBRATION SERVICE LAMPS.—

‘‘(B) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for rough service lamps demonstrates actual unit sales of rough service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

‘‘(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for rough service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

‘‘(I) have a maximum 40-watt limitation; and

‘‘(II) be sold at retail only in a package containing 1 lamp.
‘‘(ii) a requirement that those lamps be sold at retail only in a package containing 1 lamp.

(H) SHATTER-RESISTANT LAMPS.—

‘‘(i) in general.—In cooperation with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, the Federal Trade Commission, lighting and retail industry associations, energy efficiency organizations, and any other entities that the Secretary of Energy determines to be appropriate, the Secretary of Energy shall:

(1) conduct an assessment of the market for general service lamps and compact fluorescent lamps;

(2) identify in the market shares of lamp types, efficiencies, and light output levels purchased by residential and nonresidential consumers; and

(3) determine the degree to which consumer decisionmaking is based on lamp power levels or watts, light output or lumens, lamp lifetime, and other factors, including the availability of alternative lighting choices that meet the needs of consumers.

(C) SHATTER-RESISTANT LAMPS.

The Secretary may, at any time, modify or adopt a State standard with an effective date of up to 12 months prior to the effective date of the Federal standard that is adopted by any State for shatter-resistant lamps.

(D) TERMINATION OF AUTHORITY.—

The Secretary may, at any time, modify or adopt a State standard with an effective date of up to 12 months prior to the effective date of the Federal standard that is adopted by any State for shatter-resistant lamps.

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary and the Federal Trade Commission, lighting and retail industry associations, energy efficiency organizations, and any other entities that the Secretary of Energy determines to be appropriate, shall assess the need for any shatter-resistant lamp standard.

(B) TERMINATION OF AUTHORITY.—

The Secretary may, at any time, modify or adopt a State standard with an effective date of up to 12 months prior to the effective date of the Federal standard that is adopted by any State for shatter-resistant lamps.

(C) TERMINATION OF AUTHORITY.—

The Secretary may, at any time, modify or adopt a State standard with an effective date of up to 12 months prior to the effective date of the Federal standard that is adopted by any State for shatter-resistant lamps.
(ii) a finished size and shape shown in ANSI C78.21-1989, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph). 

"(B) ER40.—The term "ER40" means an ER incandescent reflector lamp with a diameter of 408ths of an inch.

"(97) R20 INCANDESCENT REFLECTOR LAMP.—The term "R20 incandescent reflector lamp" means a reflector lamp that has a face diameter of approximately 2.5 inches, as shown in figure 1(R) on page 7 of ANSI C79.1-1994."

"(55) BR30 INCANDESCENT REFLECTOR LAMP ; 

ER30; ER40.

"(54) BPAR INCANDESCENT REFLECTOR LAMP ; 

"(53) BR INCANDESCENT REFLECTOR LAMP ; 

"(52) BPAR INCANDESCENT REFLECTOR LAMPS 

"(51) BR INCANDESCENT REFLECTOR LAMPS 

"(50) BR INCANDESCENT REFLECTOR LAMPS 

"(49) BR INCANDESCENT REFLECTOR LAMPS 

"(48) BPAR INCANDESCENT REFLECTOR LAMP.—The term "BPAR incandescent reflector lamp" means a reflector lamp as shown in figure C78.21-278 on page 32 of ANSI C78.21-2003. 

"(47) R20 INCANDESCENT REFLECTOR LAMP ; 

ER20; ER30; ER40.
with a lighting fixture or bulb that is energy efficient.

(c) CONSIDERATIONS.—In making a determination under this section concerning the feasibility of substituting a lighting fixture or bulb that is energy efficient, the Administrator shall consider—

(1) the life-cycle cost effectiveness of the fixture or bulb;

(2) the compatibility of the fixture or bulb with existing equipment;

(3) whether use of the fixture or bulb could result in interference with productivity;

(4) the aesthetics relating to use of the fixture or bulb; and

(5) such other factors as the Administrator determines appropriate.

(d) ENERGY STAR.—A lighting fixture or bulb shall be treated as being energy efficient for purposes of this section if—

(1) the fixture or bulb is certified under the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a);

(2) in the case of all light-emitting diode (LED) luminaires, lamps, and systems whose efficacy is denoted by the following: and Color Rendering Index (CRI) meet the Department of Energy requirements for minimum luminaire efficacy and CRI for the Energy Star certified luminaire; and

(e) PROGRAMS.—The procedures and recommendations of the Illuminating Engineering Society of North America, even if the luminaires, lamps, and systems have not received such certification;

(f) GUIDELINES.—The Administrator shall develop guidelines for the use of energy efficient lighting technologies that contain mercury in child care centers in public buildings.

(g) APPLICABILITY OF BUY AMERICAN ACT.—Acquisitions carried out pursuant to this section shall be subject to the requirements of the Buy American Act (41 U.S.C. 1301 et seq.) and shall be conducted consistent with section 3131

(h) EFFECTIVE DATE.—The requirements of subsections (a) and (b) shall take effect one year after the date of enactment of this subsection.

(i) CIRCUIT AMENDMENT.—The analysis for such chapter is amended by striking the items relating to sections 3313, 3314, and 3315 and inserting in their place: and

"3313. Use of energy efficient lighting fixtures and bulbs.

3314. Delegation.

3315. Certain authority not affected."

(j) EVALUATION FACTOR.—Section 3319 of such title is amended—

(1) by redesigning paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

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

"(3) shall include in the solicitation for any lease requiring a prospectus under section 3307 an evaluation factor considering the expected life span of the fixture or bulb will promote energy efficiency and the use of renewable energy.

SEC. 324. METAL HALIDE LAMP FIXTURES.

(a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) (as amended by section 322(a)(2)) is amended by adding at the end the following:

"(58) BALLAST.—The term ‘ballast’ means a device in the circuit of an electric discharge lamp to obtain necessary circuit conditions (voltage, current, and waveform) for starting and operating.

(59) BALLAST EFFICIENCY.—

(A) IN GENERAL.—The term ‘ballast efficiency’ means, in the case of a high intensity discharge fixture, the efficiency of a lamp, lamp, and ballast combination, expressed as a percentage, and calculated in accordance with the following formula: Efficiency = P_m/P_e,

(B) EFFICIENCY FORMULA.—For the purpose of subparagraph (A)—

(1) P_m shall equal the measured operating lamp wattage;

(2) P_e shall equal the measured input wattage;

(3) the lamp, and the capacitor when the capacitor is provided, shall constitute a nominal system in accordance with the ANSI Standard C78.43-2005;

(iv) for ballasts with a frequency of 60 Hz, P_m and P_e shall be measured after lamps have been stabilized according to section 4.4 of ANSI Standard C82.6-2005 using a 0.5 watt wattmeter with a specified in section 4.5 of ANSI Standard C82.6-2005;

(iv) for ballasts with a frequency greater than 60 Hz, P_m and P_e shall have a basic accuracy of ± 0.5 percent at the higher of—

(I) 3 times the output frequency of the ballast; or

(ii) 2 kHz for ballast with a frequency greater than 60 Hz.

(C) MODIFICATION.—The Secretary may, by rule, modify the definition of ‘ballast efficiency’ if the Secretary determines that the modified definition is necessary or appropriate to carry out the purposes of this Act.

(60) ELECTRONIC BALLAST.—The term ‘electronic ballast’ means a device that uses semiconductors as the primary means to control lamp starting and operation.

(61) GENERAL LIGHTING APPLICATION.—The term ‘general lighting application’ means lighting that provides an interior or exterior area with overall illumination.

(62) METAL HALIDE BALLAST.—The term ‘metal halide ballast’ means a ballast used to start and control metal halide lamps.

(63) METAL HALIDE LAMP.—The term ‘metal halide lamp’ means a high intensity discharge lamp in which the major portion of the light is the result of the emission of metal halides and their products of dissociation, possibly in combination with metallic vapors.

(64) METAL HALIDE LAMP FIXTURE.—The term ‘metal halide lamp fixture’ means a light fixture for general lighting application designed to be operated with a metal halide lamp and a metal halide ballast.

(65) PROBE-START METAL HALIDE BAL-

LAST.—The term ‘probe-start metal halide ballast’ means a ballast that—

(A) starts a probe-start metal halide lamp that contains a third starting electrode (probe) in the arc tube; and

(B) does not generally contain an igniter but instead starts lamps with high ballast open circuit voltage.

(66) PULSE-START METAL HALIDE BAL-

LAST.—The term ‘pulse-start metal halide ballast’ means an electronic or electromagnetic ballast that starts a pulse-start metal halide lamp with high voltage pulses.

(B) STARTING PROCESS.—For the purpose of subparagraph (A)—

(1) "lamps shall be started by first providing a high voltage pulse for ionization of the gas to produce a glow discharge; and

(ii) to complete the starting process, pulse shall be provided by the ballast to sustain the discharge through the glow-to-arc transition.

(b) COVERAGE.—Section 322(a) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)) is amended—

(1) by redesigning paragraph (19) as paragraph (20); and

(1) by inserting after paragraph (18) the following:

"(19) Metal halide lamp fixtures.

(c) TEST PROCEDURES.—Section 323(b) of the Energy Policy and Conservation Act (42 U.S.C. 6292(b)) (as amended by section 301(b)) is amended by adding at the end the following:

"(2) Test procedures for metal halide lamp ballasts shall be based on ANSI Standard C82.6-2005, entitled ‘Ballasts for High Intensity Discharge Lamps—Method of Measurement.’

(d) LABELING.—Section 324(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(2)) is amended—

(1) by redesigning subparagraphs (C) through (G) as subparagraphs (D) through (H), respectively; and

(2) by inserting after subparagraph (B) the following:

"(C) METAL HALIDE LAMP FIXTURES.—

(1) IN GENERAL.—The Commission shall issue labeling rules under this section applicable to the covered product specified in section 322(a)(19) and to which standards are applicable under section 323.

(ii) LABELING.—The rules shall provide that the labeling of any metal halide lamp fixture manufactured on or after the later of January 1, 2009, or the date that is 270 days after the date of enactment of this subpara-

(g) Standards.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended by adding paragraphs (g) and (h) as follows:

"(g) METAL HALIDE LAMP FIXTURES.—

(1) STANDARDS.

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), metal halide lamp fixtures designed to be operated with lamps rated greater than or equal to 250 watts but less than or equal to 500 watts shall contain—

(i) a pulse-start metal halide ballast with a minimum ballast efficiency of 88 percent;

(ii) a magnetic probe-start ballast with a minimum ballast efficiency of 82 percent; or

(iii) a nonpulsed electronic ballast with a minimum ballast efficiency of 92 percent for wattages greater than 250 watts; and

(ii) a minimum ballast efficiency of 90 percent for wattages less than or equal to 250 watts.

(C) EXCLUSIONS.—The standards established under subparagraph (A) shall not apply to—

(i) fixtures with regulated lag ballasts;

(ii) fixtures that use electronic ballasts that operate at 480 volts; or

(iii) fixtures that—

(A) are rated only for 150 watt lamps;

(B) are rated only for 1500 watts;

(C) are rated only for 1500 watts; and

(D) are rated only for 1500 watts, as specified by the National Electrical Code 2002, section 410.4(A); and...
‘‘(III) contain a ballast that is rated to operate at ambient air temperatures above 50° C, as specified by UL 1029–2003.

‘‘(C) APPLICATION.—The standards established by paragraph (A) shall apply to metal halide lamp fixtures manufactured on or after the later of—

(i) January 1, 2009; or

(ii) the date that is 270 days after the date of enactment of this subsection.

‘‘(II) DEADLINE.—Not later than January 1, 2012, the Secretary shall publish a final rule to determine whether the standards established under paragraph (I) should be amended.

‘‘(B) ADMINISTRATION.—The final rule shall—

(i) contain any amended standard; and

(ii) apply to products manufactured on or after January 1, 2015.

‘‘(III) FINAL RULE BY JANUARY 1, 2015.—

(A) IN GENERAL.—Not later than January 1, 2015, the Secretary shall publish a final rule to determine whether the standards established under paragraph (I) should be amended.

(B) ADMINISTRATION.—The final rule shall—

(i) contain any amended standard; and

(ii) apply to products manufactured after January 1, 2015.

‘‘(IV) PERSONAL COMPUTER MONITORS.—In the absence of applicable testing procedures described in clause (i) for products described in subparagraph (V) of this clause, the Commission may, by regulation, prescribe labeling or other disclosure requirements for a consumer product category described in subsection (A).’’

‘‘(V) Personal computer monitors.

‘‘(VI) ALTERNATE TESTING PROCEDURES.—In the absence of applicable testing procedures described in clause (i) for products described in subparagraph (V) of this clause, the Commission may, by regulation, prescribe labeling or other disclosure requirements for a consumer product category described in clause (I) that identifies adequate non-Department of Energy testing procedures for those products; and

‘‘(II) REQUIREMENTS.—The requirements prescribed under clause (i) or (ii) may include specific requirements for each electronic product to be labeled with respect to the placement, size, and content of Energy Guide labels.

‘‘(IV) DETERMINATION OF FEASIBILITY.—Clause (i) or (ii) shall not apply in any case in which the Commission determines that labeling in accordance with this subsection—

(I) is not technologically or economically feasible;

(II) is not likely to assist consumers in making purchasing decisions; and

(III) is not likely to assist consumers in making purchasing decisions;

(b) CONTENT OF LABEL.—Section 324(c) of the Energy Policy and Conservation Act (42 U.S.C. 6292(c)) is amended by adding at the end the following:

‘‘(8) authority to include additional product categories.—The Commission may, by regulation, require labeling or other disclosures in accordance with this subsection for any consumer product not specified in this subsection or section 322 if the Commission determines that labeling for the product is likely to assist consumers in making purchasing decisions. (b) CONTENT OF LABEL.—Section 324(c) of the Energy Policy and Conservation Act (42 U.S.C. 6292(c)) is amended by adding at the end the following:

‘‘(9) discretionary application.—The Commission may apply paragraphs (1), (2), (3), (5), and (6) of this subsection to the labeling of any product by regulation by paragraph (2)(I) or (6) of subsection (a).’’

TITLE IV—ENERGY SAVINGS IN BUILDINGS AND INDUSTRY

SEC. 401. DEFINITIONS.

In this title:

(A) ADMINISTRATOR.—The term ‘‘Administrator’’ means the Administrator of General Services.

(B) ADVISORY COMMITTEE.—The term ‘‘Advisory Committee’’ means the Green Building Advisory Committee established under section 148.

(C) COMMERCIAL DIRECTOR.—The term ‘‘Commercial Director’’ means the individual appointed to the position established under subsection 421.

(D) CONSORTIUM.—The term ‘‘Consortium’’ means the High-Performance Green Building Partnership Consortium created in response to section 436(c)(1) to represent the private sector and a Federal Agency in a collaborative partnership to promote high-performance green buildings and zero-net-energy commercial buildings.

(E) COST-EFFECTIVE LIGHTING TECHNOLOGY.—The term ‘‘cost-effective lighting technology’’ means a lighting technology that—

(1) will result in substantial operational cost savings with an installed cost of not more than 1 watt per square foot; or

(ii) is contained in a list under—

(I) section 553 of Public Law 95–619 (42 U.S.C. 6292b);

(II) Federal acquisition regulation 22–203; and

(III) is at least as energy-conserving as required by other provisions of this Act, including the requirements of this title and the requirements of section 325(hh)(3) that shall be equivalent to the extent that they would achieve greater energy savings than provided under clause (I) or this clause.

(B) INCLUSIONS.—The term ‘‘cost-effective lighting technology’’ includes—

(1) lamps;

(2) ballasts;

(3) luminaires;

(4) lighting controls; and

(5) early use of other highly cost-effective lighting technologies.

(C) EFFECTIVE TECHNOLOGIES AND PRACTICES.—The term ‘‘cost-effective technologies and practices’’ means a technology or practice that—

(1) will result in substantial operational cost savings by reducing electricity or fossil fuel consumption, water consumption, utility costs, including use of geothermal heat pumps;

(2) complies with the provisions of section 553 of Public Law 95–619 (42 U.S.C. 6292b) and Federal acquisition regulation 22–203; and

(3) is at least as energy and water conserving as required under this title, including section 321 through 325, which include section 511 through 525, which shall be applicable to the extent that they are more stringent or require greater energy or water savings than required by this section.

(D) FEDERAL DIRECTOR.—The term ‘‘Federal Director’’ means the individual appointed to the position established under section 429(a).

(E) FEDERAL FACILITY.—The term ‘‘Federal facility’’ means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.

(F) OPERATIONAL COST SAVINGS.—

(1) IN GENERAL.—The term ‘‘operational cost savings’’ means a reduction in end-use operational costs through the application of cost-effective technologies and practices or geothermal heat pumps, including a reduction in electricity consumption for those products or practices including section 321 through 325, which shall be applicable to the extent that they are more stringent or require greater energy or water savings than required by this section.

(2) FEDERAL FACILITY.—The term ‘‘Federal facility’’ means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.

(3) DISCRETIONARY APPLICATION.—The term ‘‘Federal facility’’ means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.

(4) DISCRETIONARY APPLICATION.—The term ‘‘Federal facility’’ means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.

(5) COST-EFFECTIVE LIGHTING TECHNOLOGY.—The term ‘‘cost-effective lighting technology’’ means a lighting technology that—

(1) will result in substantial operational cost savings with an installed cost of not more than 1 watt per square foot; or

(II) is contained in a list under—

(I) section 553 of Public Law 95–619 (42 U.S.C. 6292b);

(II) Federal acquisition regulation 22–203; and

(III) is at least as energy-conserving as required by other provisions of this Act, including the requirements of this title and the requirements of section 325(hh)(3) that shall be equivalent to the extent that they would achieve greater energy savings than provided under clause (I) or this clause.

(B) INCLUSIONS.—The term ‘‘cost-effective lighting technology’’ includes—

(1) lamps;

(2) ballasts;

(3) luminaires;

(4) lighting controls; and

(5) early use of other highly cost-effective lighting technologies.
(A) uses the ground or ground water as a thermal energy source to heat, or as a thermal energy sink to cool, a building; and

(B) meets the requirements of the Energy Star Program of the Environmental Protection Agency applicable to geothermal heat pumps on the date of purchase of the technology.

(2) GSA FACILITY.—

(A) IN GENERAL.—The term “GSA facility” means any building, structure, or facility, in whole or in part (including the associated support systems of the building, structure, or facility) that—

(i) is constructed (including facilities constructed, or purchased from the public sector and transferred to the Federal Government) in whole or in part, by the Administrator for use by the Federal Government; or

(ii) is leased, in whole or in part, by the Administrator for use by the Federal Government.

(B) EXEMPTION.—The Administrator may exempt from the definition of “GSA facility” under this paragraph a building, structure, or facility that meets the requirements of section 543(c) of Public Law 95–619 (42 U.S.C. 8253(c)).

(12) HIGH-PERFORMANCE BUILDING.—The term “high performance building” means a building that integrates and optimizes on a life cycle basis high-performance attributes, including energy conservation, environment, safety, security, durability, accessibility, cost-benefit, productivity, sustainability, functionality, and operational considerations.

(13) HIGH-PERFORMANCE GREEN BUILDING.—The term “high-performance green building” means a high-performance building that, during its life-cycle, as compared with similar buildings (as measured by Commercial Buildings Energy Consumption Survey or Residential Energy Consumption Survey data from the Energy Information Agency)—

(A) reduces energy, water, and material resource use;

(B) improves indoor environmental quality, including reducing indoor pollution, improving thermal comfort, and improving light and acoustic environments that affect occupant health and productivity;

(C) reduces negative impacts on the environment throughout the life-cycle of the building, including air and water pollution and waste generation;

(D) increases the use of environmentally preferable products, including bio-based, recycled, and degradable products with lower life-cycle impacts;

(E) increases reuse and recycling opportunities;

(F) integrates systems in the building;

(G) reduces the environmental and energy impacts of transportation through building location and site design that support a full range of transportation choices for users of the building; and

(H) considers indoor and outdoor effects of the building on human health and the environment, including—

(i) improvements in worker productivity;

(ii) the life-cycle impacts of building materials and operations; and

(iii) any other effects that the Federal Director or the Commercial Director consider to be appropriate.

(14) LIFE-CYCLE.—The term “life-cycle”, with respect to a high-performance green building, means all stages of the useful life of the building (including components, equipment, systems, and controls of the building) beginning at conception of a high-performance green building project and continuing through site selection, design, construction, commissioning, operation, maintenance, renovation, deconstruction or demolition, removal, and recycling of the high-performance green building.

(15) LIFE-CYCLE ASSESSMENT.—The term “life-cycle assessment” means a comprehensiveness study, including the environmental performance of a product or service over the life of the product or service, beginning at raw materials acquisition and continuing through manufacturing, transportation, installation, use, reuse, and end-of-life waste management.

(16) LIFE-CYCLE COSTING.—The term “life-cycle costing”, with respect to a high-performance green building, means a technique of economic evaluation that—

(A) sums, over a given study period, the costs of initial investment (less resal value), replacements, operations (including energy use), and maintenance and repair of an investment decision; and

(B) is expressed in present value terms, in the case of a study period equivalent to the longest useful life of the building, determined by taking into account the expected useful life of such a building in the area in which the building is to be located; or

(C) in annual value terms, in the case of any other study period.

(17) OFFICE OF COMMERCIAL HIGH-PERFORMANCE GREEN BUILDINGS.—The term “Office of Commercial High-Performance Green Buildings” means the Office of Commercial High-Performance Green Buildings established under section 421(a).


(19) PRACTICES.—The term “practices” means design, financing, permitting, construction, operation, maintenance, and other practices that contribute to achieving zero-net-energy buildings or zero-net-energy commercial buildings.

(20) ZERO-NET-ENERGY COMMERCIAL BUILDING.—The term “zero-net-energy commercial building” means a commercial building that is designed, constructed, and operated to—

(A) require a greatly reduced quantity of energy to operate;

(B) meet the balance of energy needs from sources of energy that do not produce greenhouse gases;

(C) therefore result in no net emissions of greenhouse gases; and

(D) be economically viable.

The term “residential building efficiency” means the Office of Federal High-Performance Green Buildings established under section 436(a).

(21) RESIDENTIAL BUILDING EFFICIENCY.—

(A) IN GENERAL.—The Secretary may make funding available to local weatherization agencies from amounts authorized under the amendment made by subsection (a) to expand the weatherization assistance program for residential buildings to include renewable energy, and other energy technologies not covered by the program (as of the date of enactment of this Act), if the State weatherization grantee certifies that the application to carry out the proposed activities and that the grantee will include the project in the financial oversight of the grantee of the weatherization assistance program.

(B) CONGRESSIONAL RECORD — S12525

(2) PRIORITY.—In selecting grant recipients under this subsection, the Secretary shall give priority to—

(A) the expected effectiveness and benefits of the proposed project to low- and moderate-income energy consumers;

(B) the potential for replication of successful results;

(C) the impact on the health and safety and energy costs of consumers served; and

(D) the extent of partnerships with other public and private entities that contribute to the resources and implementation of the program, including financial partnerships.

(22) FUNDING.—

(A) IN GENERAL.—Except as provided in paragraph (2), the amount of funds used for projects described in paragraph (1) may equal up to 2 percent of the amount of funds made available for any fiscal year under section 422 of the Energy Conservation and Production Act (42 U.S.C. 8672).

(B) EXCEPTION.—No funds may be used for sustainable energy resources for consumers grants for a fiscal year under this subsection if the amount of funds made available for the fiscal year to carry out the Weatherization Assistance Program for Low-Income Persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6651 et seq.) is less than $700,000,000.

(C) DEFINITION OF STATE.—Section 412 of the Energy Conservation and Production Act (42 U.S.C. 6662) is amended by striking paragraph (8) and inserting the following:

“(8) STATE.—The term ‘State’ means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.”

SEC. 412. STUDY OF RENEWABLE ENERGY REBATE PROGRAMS.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall conduct, and submit to Congress a report on, a study regarding the rebate programs established under sections 124 and 206(c) of the Energy Policy Act of 2005 (42 U.S.C. 15821, 15853). (b) COMPONENTS.—In conducting the study, the Secretary shall—

(1) develop a plan for how the rebate programs would be carried out if the programs were funded; and

(2) determine the minimum amount of funding the program would need to receive in order to accomplish the goals of the programs.

SEC. 413. ENERGY CODE IMPROVEMENTS APPLICABLE TO MANUFACTURED HOUSING.

(a) ESTABLISHMENT OF STANDARDS.—

(1) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, the Secretary shall by regulation establish standards for energy efficiency in manufactured housing.

(2) NOTICE, COMMENT, AND CONSULTATION.— Standards described in paragraph (1) shall be established after—

(A) notice and an opportunity for comment by manufacturers of manufactured housing and other interested parties; and

SEC. 414. STUDY OF RENEWABLE ENERGY PRODUCTION.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall conduct, and submit to Congress a report on, a study regarding the renewable energy production described in section 421(c) of the Energy Policy Act of 2005 (42 U.S.C. 15821, 15853).
REPORT—Not later than 2 years after the date of enactment of this Act, and bia-
nially thereafter, the Commercial Director, in consultation with the Consortium, shall submit to Congress a report that describes the status of the high-per-
formance green building initiatives under this subtitle and other Federal programs af-
fected by commercial high-performance green buildings in effect as of the date of the re-
port, including—
(A) the extent to which the programs are being carried out in accordance with this subtitle; and
(B) the status of funding requests and appr-
opriations for those programs; and
(2) summarizes and highlights develop-
ment, at the State and local level, of high-
performance green building initiatives, in-
cluding executive orders, policies, or laws promoting high-performance green building (including the status of implement-
ation of those initiatives).

SECTION 422. ZERO-NET-ENERGY COMMERCIAL BUILDINGS INITIATIVE.

(a) DEFINITIONS.—In this section:
(1) CONSORTIUM.—The term “consortium” means the High-Performance Green Building Consortium selected by the Commer-
cial Director.
(2) INITIATIVE.—The term “initiative” means the Zero-Net-Energy Commercial Buildings Initiative established under sub-
section (b)(1).
(3) ZERO-NET-ENERGY COMMERCIAL BUILD-
INGS.—The term “zero-net-energy commercial building” means a high-performance com-
mercial building that is designed, con-
structed, and operated—
(A) to require a greatly reduced quantity of energy to operate;
(B) to meet the balance of energy needs from sources of energy that do not produce greenhouse gases;
(C) in a manner that will result in no net emissions of greenhouse gases; and
(D) to be economically viable.
(b) ESTABLISHMENT.—
(1) IN GENERAL.—The Commercial Director shall establish an initiative, to be known as the “Zero-Net-Energy Commercial Buildings Initiative”—
(A) to reduce the quantity of energy con-
sumed by commercial buildings located in the United States; and
(B) to achieve the development of zero net energy commercial buildings in the United States.
(2) CONSORTIUM.—
(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Commercial Director shall competitively select, and enter into an agreement with, a consortium to develop and carry out the ini-
tiative.
(B) AGREEMENTS.—In entering into an agreement with a consortium under subpara-
graph (A), the Commercial Director shall use the authority described in section 666(g) of the Department of Energy Organization Act (42 U.S.C. 7256(g)), to the maximum extent practicable.
(c) GOAL OF INITIATIVE.—The goal of the initiative shall be to develop and disse-
minate technologies, practices, and policies for the development and establishment of zero net energy commercial buildings for—
(1) any commercial building newly constructed in the United States by 2030; (2) 50 percent of the commercial building stock of the United States by 2040; and (3) commercial buildings in the United States by 2050.

(d) COMPONENTS.—In carrying out the initiative, the Commercial Director shall—

(1) conduct research and development on building science, design, materials, components, equipment and controls, operation and other practices, integration, energy use measurement, and benchmarking;

(2) conduct pilot programs and demonstration projects to evaluate replicable approaches to achieving energy efficient commercial buildings for a variety of building types in a variety of climate zones;

(3) conduct deployment, dissemination, and technical assistance activities to encourage widespread adoption of technologies, practices, and policies to achieve energy efficient commercial buildings;

(4) conduct other research, development, demonstration, and deployment activities necessary to achieve each goal of the initiative, determined by the Commercial Director, in consultation with the consortium;

(5) develop training materials and courses for building professionals and trades on achieving cost-effective high-performance energy efficient buildings;

(6) develop and disseminate public education materials to share information on the benefits and best practices of high-performance energy efficient buildings;

(7) support code-setting organizations and State and local governments in developing minimum performance standards in building codes that recognize the ready availability of many technologies utilized in high-performance energy efficient buildings;

(8) develop strategies for overcoming the split incentives between builders and purchasers, and landlords and tenants, to ensure that energy efficiency and high-performance investments are made that are cost-effective on a lifecycle basis; and

(9) develop improved means of measurement and verification of energy savings and performance for public dissemination.

(e) COST-SHARING.—In carrying out this section, the Commercial Director shall—

(1) require cost-sharing, as determined by the Commercial Director, in consultation with the consortium, that all facilities be appropriate to conduct public outreach;

(2) surveying existing research and studies relating to high-performance green buildings;

(3) coordinating activities of common interest.

Subtitle C—High-Performance Federal Buildings

SEC. 431. ENERGY REDUCTION GOALS FOR FEDERAL BUILDINGS.

Section 454 of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended by striking the table and inserting the following:

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<th>Fiscal Year</th>
<th>Percentage reduction</th>
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<td>2015</td>
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</tr>
</tbody>
</table>

SEC. 432. MANAGEMENT OF ENERGY AND WATER EFFICIENCY IN FEDERAL BUILDINGS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended by adding at the end the following:

(4) USE OF ENERGY AND WATER EFFICIENCY MEASURES IN FEDERAL BUILDINGS.  —(I) DEFINITION.—(A) COMMISSIONING.—The term ‘commissioning’, with respect to a facility, means a systematic process of using appropriate verification and documentation, during the period beginning on the initial day of the design phase of the facility and ending not earlier than 1 year after the date of commissioning of the facility, that all facility systems perform interactively in accordance with—

(1) the design documentation and intent of the facility; and

(2) the operational needs of the owner of the facility, including preparation of operation personnel; and

(3) the primary goal of which is to ensure fully functional systems that can be properly operated and maintained during the useful life of the facility.

(B) ENERGY MANAGER.—(i) IN GENERAL.—The term ‘energy manager’, with respect to a facility, means the individual who is responsible for—

(1) ensuring compliance with this subsection by the facility; and

(2) reducing energy use at the facility; and

(3) including in annual reports the term ‘energy manager’ may include—

(1) a contractor of a facility; and

(II) a part-time employee of a facility; and

(III) an individual who is responsible for multiple facilities.

(C) FACILITY ENERGY MANAGERS.—(A) IN GENERAL.—Each Federal agency shall designate an energy manager responsible for implementing this subsection and reducing energy use at each facility that meets criteria under subparagraph (B).

(B) COVERED FEDERAL AGENCIES.—(1) SUBJECT TO.—The Secretary shall determine which Federal agencies, including central utility plants and distribution systems, and other energy-intensive operations, that constitute at least 75 percent of facility energy use at each agency.

(C) ENERGY AND WATER EVALUATIONS.—(A) EVALUATIONS.—Effective beginning on the date that is 180 days after the date of enactment of this subsection and annually thereafter, the energy manager and other policies identified in subsection (a) for each calendar year, a comprehensive energy and water evaluation for approximately
25 percent of the facilities of each agency that meet the criteria under paragraph (2)(B) in a manner that ensures that an evaluation of each such facility is completed at least once every 4 years.

(4) IMPLEMENTATION OF IDENTIFIED ENERGY AND WATER EFFICIENCY MEASURES.—Not later than 2 years after the completion of each evaluation under paragraph (3), each energy manager may—

(A) develop—

(i) any energy- or water-saving measure that the Federal agency identified in the evaluation conducted under paragraph (3) that is life cycle cost-effective; and

(ii) bundle individual measures of varying paybacks together into combined projects.

(5) FOLLOW-UP ON IMPLEMENTED MEASURES.—For each measure implemented under paragraph (4), each energy manager shall ensure that—

(A) equipment, including building and equipment controls, is fully commissioned at acceptance to be operating as design specifications require;

(B) a plan for appropriate operations, maintenance, and repair of the equipment is in place at acceptance and is followed;

(C) equipment and system performance is measured on an annual basis to ensure proper operations, maintenance, and repair; and

(D) energy and water savings are measured and verified.

(6) GUIDELINES.—

(A) IN GENERAL.—The Secretary shall issue guidelines to each Federal agency that includes a building or facility in the Facility Guidelines Act of 1998 that requires any Federal agency to implement, in a manner that ensures consistency for each Federal agency and in an effective and efficient manner, measures specified in subparagraph (A); and

(B) RECOMMENCING AND RETROCOMMISSIONING.—As part of the evaluation under paragraph (A), the energy manager shall identify and assess recommissioning measures (or, if the facility has never been commissioned, retrocommissioning measures) for each such facility.

(7) IMPLEMENTATION OF WEB-BASED TRACKING SYSTEM.—(A) The Secretary shall require each Federal agency that has facilities subject to this subsection to employ a web-based tracking system required under paragraph (5)(B) to track the implementation of energy efficiency measures, at a minimum—

(i) once every 4 years.

(B) The Secretary shall make the web-based tracking system available to Congress, other Federal agencies, and the public through the Internet.

(8) BENCHMARKING OF FEDERAL FACILITIES.—

(A) IN GENERAL.—The energy manager shall enter energy use data for each metered building that is (or is a part of) a facility that meets the criteria established by the Secretary that is subject to subparagraph (A) into a tracking system that includes building energy use benchmarking systems, such as the Energy Star Portfolio Manager.

(B) SYSTEM AND GUIDANCE.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall—

(i) select or develop the building energy use benchmarking system required under this paragraph by 2012; and

(ii) issue guidance for use of the system.

(C) PUBLIC DISCLOSURE.—Each energy manager shall post the information entered into, or generated by, a benchmarking system under this subsection, the Secretary shall—

(i) select or develop the building energy use benchmarking system required under this paragraph by 2012; and

(ii) issue guidance for use of the system.

(9) REPORTING TO CONGRESS.—(A) IN GENERAL.—The Secretary shall submit to Congress a report each year that includes—

(i) summaries of the status of implementation of the measures specified in subparagraph (A); and

(ii) a summary of the energy and water savings and cost-savings performance of the measures.

(B) TIMING.—The report required under subparagraph (A) shall be submitted—

(i) not later than 1 year after the date of enactment of this Act; and

(ii) each subsequent year thereafter.

(10) FUNDING AND IMPLEMENTATION.—

(A) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(B) FUNDING OPTIONS.—(1) The Secretary may authorize the use of any appropriated funds available under subparagraph (A) for—

(i) energy and water efficiency measures;

(ii) paybacks together into combined projects.

(2) The Secretary may authorize the use of any appropriated funds available under subparagraph (A) for—

(i) energy and water efficiency measures;

(ii) paybacks together into combined projects.

(11) RULE OF CONSTRUCTION.—This subsection shall not be construed to require or to create any contractor savings guarantee of savings for implemented measures; and

(12) RULE OF CONSTRUCTION.—This subsection shall not be construed to require or to create any contractor savings guarantee of savings for implemented measures; and

SEC. 433. FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.

(a) STANDARDS.—Section 305(a)(3) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)) is amended by adding at the end the following new subparagraph:

(D) Not later than 1 year after the date of enactment of the Energy Independence and Security Act of 2007, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that:

(1) new Federal buildings and Federal buildings undergoing major renovations, with respect to which the Administrator of General Services is required to transmit a prospectus to Congress under section 3307 of title 40, United States Code, in the case of public buildings (as defined in section 3301 of title 40, United States Code), or of at least $2,500,000 in costs adjusted annually for inflation for other buildings:

(ii) The buildings shall be designed so that the total fuel-generated energy consumption of the buildings is reduced, as compared with such energy consumption by a similar building in fiscal year 2003 (as measured by Commercial Buildings Energy Consumption Survey or Residential Energy Consumption Survey data from the Energy Information Agency), by the percentage specified in the following table:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percentage Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>55</td>
</tr>
<tr>
<td>2015</td>
<td>65</td>
</tr>
<tr>
<td>2020</td>
<td>80</td>
</tr>
<tr>
<td>2025</td>
<td>90</td>
</tr>
<tr>
<td>2030</td>
<td>100</td>
</tr>
</tbody>
</table>

(II) Upon petition by an agency subject to this subparagraph, the Secretary may adjust the applicable numeric requirement under subparagraph (A) downward with respect to a specific building, if the head of the agency designing the building certifies in writing that meeting such requirement would be technologically impracticable or that the agency’s specified functional needs for that building and the Secretary concurs with the agency’s conclusions. This subparagraph shall apply to the General Services Administration.

(III) Sustainable design principles shall be applied to the siting, design, and construction of such buildings. Not later than 90 days after the date of enactment of the Energy Independence and Security Act of 2007, the Secretary, after reviewing the findings of the Federal Director under section 305(b) of that Act, in consultation with the Administrator of General Services, and in consultation with the Secretary of Defense for considerations relating to those facilities under the custody and control of the Department of Defense, shall identify a certification system and level for green buildings. The identification of the certification system and level shall be based on a review of the Federal Director’s findings under section 305(b) of the Energy Independence and Security Act of 2007 and the criteria specified in clause (iii), shall identify the highest level the Secretary determines is appropriate above the minimum level required for certification under the system selected, and shall achieve results at least...
those established by subclauses (I) and (III) under clause (i)(III) for at least 5 percent of
must continue to obtain external certifi-
cation entity identified under clause (i)(III).
eral agencies to develop internal certifi-
systems and levels, taking into account the
able third-party green building certification
Independence and Security Act of 2007, the
accordance with section 436 of the Energy
controls; and
pollutant source control, and use of low-
thermal comfort, acoustics, day lighting,
water, energy, and other natural resources;
building, which shall give credit for pro-
based process;
ification organization to collect and reflect
Guidance to all Federal procurement
facilities to incorporate improvements that
are consistent with this section.

SEC. 434. MANAGEMENT OF FEDERAL BUILDING
EFFICIENCY.
(a) LARGE CAPITAL ENERGY INVESTMENTS.—
Section 549 of the National Energy Conserva-
tion Policy Act (42 U.S.C. 8253(e)) is amended by adding at the end the following:
"(1) LARGE CAPITAL ENERGY INVEST-
MENTS.—
"(1) IN GENERAL.—Each Federal agency shall ensure that any large capital energy
investment in an existing building that is not a major renovation but involves replacement
of installed equipment (such as heating and cooling systems), or involves renovation, re-
habilitation, expansion, or remodeling of exist-
ing space, employs the most energy effi-
cient design, equipment, and controls that are life-cycle cost effective.
"(2) PROCESS FOR REVIEW OF INVESTMENT
DECISIONS.—Not later than 180 days after the
date of enactment of this subsection, each Federal agency shall—
"(A) develop a process for reviewing each
decision made on a large capital energy in-
vestment described in paragraph (1) to en-
sure that the requirements of this subsection
are met; and
"(B) report to the Director of the Office of
Management and Budget on the process estab-
lished.
"(3) COMPLIANCE REPORT.—Not later than 1 year
after the date of enactment of this sub-
section, the Director of the Office of Manage-
ment and Budget shall evaluate and report to
Congress on the compliance of each agen-
cy with this subsection.
"(b) METERING.—Section 549(e)(1) of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 8253(e)(1)) is amended by inserting
after the second semicolon the following:
"Not later than October 1, 2016, each agency shall provide for equivalent metering of
natural gas and steam, in accordance with guidelines established by the Secretary under para-
graph (2)."

SEC. 435. LEASING.
(a) IN GENERAL.—Except as provided in subsection (b), effective beginning on the
date of enactment of this Act, no Federal agency shall enter into a contract to lease space in a
building that has not earned the Energy Star label in the most recent year.
(b) EXCEPTION.—This subsection applies if
(A) no space is available in a building de-
scribed in subsection (a) that meets the func-
tional requirements of an agency, including
local funding needs;
(B) the agency proposes to remain in a
building that the agency has occupied previ-
ously;
(C) the agency proposes to lease a building of
historical, architectural, or cultural sig-
nificance (as defined in section 3306a(a)(4) of
title 40, United States Code) or space in such a
building;
(D) the lease is for not more than 10,000
gross square feet of space.

SEC. 436. HIGH-PERFORMANCE GREEN FEDERAL
BUILDINGS.
(a) ESTABLISHMENT OF OFFICE.—Not later
than 60 days after the date of enactment of
this Act, the Administrator shall establish an
Office of Federal High-Performance Green
Buildings, and appoint an individual to serve
as Federal Director in, a position in the
career-reserved Senior Executive service, to—
(1) establish and manage the Office of
Federal High-Performance Green Buildings; and
(2) carry out other duties as required under
this subtitle.
(b) COMPENSATION.—The compensation of
the Federal Director shall not exceed the maximum rate of basic pay for the Senior Executive
Service as determined by section 5314 of the
title 5, United States Code, including any applica-
ble locality-based comparability payment
authorized under section 5306(c)(2)(C) of that
title.
(c) DUTIES.—The Federal Director shall—
(1) coordinate the activities of the Office of
Federal High-Performance Green Buildings
with the activities of the Office of Commer-
cial High-Performance Green Buildings, and
the Secretary, in accordance with section 3306a(a)(1) of the Energy Conservation and
Production Act (42 U.S.C. 6834a(a)(1));
(2) ensure full coordination of high-per-
formance green building information and ac-
countability with the other elements of the
General Services Admin-
istration and all relevant agencies, includ-
ing, at a minimum—
(A) the Environmental Protection Agency; (B) the Office of the Federal Environmental Executive; (C) the Office of Federal Procurement Policy; (D) the Department of Energy; (E) the Department of Health and Human Services; (F) the Department of Defense; (G) the Department of Transportation; (H) the National Institute of Standards and Technology; and (I) the Office of Science and Technology Policy.

(3) establish a senior-level Federal Green Building Advisory Committee under section 474, which shall adopt recommendations in accordance with that section and subsection (d);

(4) identify and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee;

(5) ensure full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives;

(6) identify and develop Federal high-performance green building standards and rating systems consistent with the requirements of this subtitle and section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D));

(7) establish green practices that can be used throughout the life of a Federal facility.

(8) review and analyze current Federal budget practices and life-cycle costing issues, and make recommendations to Congress, in accordance with subsections (d) and (h), to facilitate opportunities to demonstrate innovative and emerging green building technologies and concepts.

(a) FEDERAL OFFICES.—The Federal Director, in consultation with the Commercial Director and the Advisory Committee, and consistent with the requirements of section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)) shall—

(1) identify, review, and analyze current budget and contracting practices that affect achievement of high-performance green buildings, including the identification of barriers to high-performance green building life-cycle costing for budgetary issues;

(2) develop guidance and conduct training sessions with budget specialists and contracting personnel from Federal agencies and boards to ensure budgetary life-cycle cost criteria to actual projects;

(3) identify tools to aid life-cycle cost decisionmaking; and

(4) explore the feasibility of incorporating the benefits of high-performance green buildings, such as security benefits, into a cost-benefit analysis to aid in life-cycle cost budgeting practices.

(c) INCENTIVES.—Within 90 days after the date of enactment of this Act, the Federal Director and the Commercial Director shall—

(1) conduct an audit of the implementation of the requirements of this subtitle and section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)) and report the results of that audit to Congress;

(2) identify short-term and long-term cost savings that accrue from high-performance green building initiatives, including those relating to health and productivity;

(3) develop a program of Federal incentives to encourage public and private organizations to meet the requirements of section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(4) evaluate the effectiveness of Federal incentives in promoting high-performance green building initiatives.

(4) IMPLEMENTATION.—The Federal Director, in coordination with the Commercial Director, the Commercial Secretary, the Office of Operating Cost, the Office of Efficiency and Productivity, the Office of Federal High-Performance Green Buildings, the Office of Federal High-Performance Buildings, and the Office of Energy Efficiency and Renewable Energy, shall—

(1) establish green practices that can be used in accordance with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(2) identify and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee.

(5) REPORT.—Not later than 2 years after the date of enactment of this Act and beginning every 5 years thereafter, the Federal Director, in consultation with the Secretary, shall submit to Congress a report that—

(a) describes the status of compliance with the requirements of section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), and other relevant Federal and State green building initiatives in effect as of the date of the report, including—

(A) the extent to which the programs are being performed in accordance with this subtitle and the requirements of section 305(a)(3)(D) of that Act; and

(B) the status of funding requests and appropriations for high-performance green building initiatives;

(b) identifies and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee; and

(c) ensures full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives; and

(d) A DDITIONAL DUTIES.

(1) promulgate guidance to promote high-performance green building initiatives;

(2) identify tools to aid life-cycle cost decisionmaking; and

(3) explore the feasibility of incorporating the benefits of high-performance green buildings, such as security benefits, into a cost-benefit analysis to aid in life-cycle cost budgeting practices.

(2) identifies short-term and long-term cost savings that accrue from high-performance green building initiatives, including those relating to health and productivity;

(3) identifies green practices that can be used in accordance with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(4) evaluates the effectiveness of Federal incentives in promoting high-performance green building initiatives.

(3) establishes a senior-level Federal Green Building Advisory Committee under section 474, which shall adopt recommendations in accordance with that section and subsection (d);

(4) identifies and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee;

(5) ensures full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives; and

(6) identifies and develop Federal high-performance green building standards and rating systems consistent with the requirements of this subtitle and section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D));

(7) establishes green practices that can be used in accordance with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(8) identifies and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee.

(4) IMPLEMENTATION.—The Federal Director, in consultation with the Commercial Director and the Advisory Committee, and consistent with the requirements of section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)) shall—

(1) develop green practices that can be used in accordance with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(2) identify and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee.

(5) REPORT.—Not later than 2 years after the date of enactment of this Act and beginning every 5 years thereafter, the Federal Director, in consultation with the Secretary, shall submit to Congress a report that—

(a) describes the status of compliance with the requirements of section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), and other relevant Federal and State green building initiatives in effect as of the date of the report, including—

(A) the extent to which the programs are being performed in accordance with this subtitle and the requirements of section 305(a)(3)(D) of that Act; and

(B) the status of funding requests and appropriations for high-performance green building initiatives;

(b) identifies and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee; and

(c) ensures full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives; and

(d) identifies and develop Federal high-performance green building standards and rating systems consistent with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(e) recommends language for uniform standards for use by Federal agencies in environmentally responsible acquisition; and

(f) in coordination with the Office of Management and Budget, reviews the budget process for capital programs with respect to alternatives for—

(A) restructuring of budgets to require the use of complete energy and environmental cost accounting;

(B) using operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures (as those measures can be quantified by the Office of Federal High-Performance Green Buildings, with the assistance of universities and industry); and

(C) streamlining measures for permitting Federal agencies to retain all identified savings accrued as a result of the use of life-cycle costing for future high-performance green building initiatives; and

(3) identifies inconsistencies, as reported to the Advisory Committee, in Federal law with respect to product acquisition guidelines and high-performance product guidelines; and

(4) recommends language for uniform standards for use by Federal agencies in environmentally responsible acquisition; and

(5) in coordination with the Office of Management and Budget, reviews the budget process for capital programs with respect to alternatives for—

(A) restructuring of budgets to require the use of complete energy and environmental cost accounting;

(B) using operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures (as those measures can be quantified by the Office of Federal High-Performance Green Buildings, with the assistance of universities and industry); and

(C) streamlining measures for permitting Federal agencies to retain all identified savings accrued as a result of the use of life-cycle costing for future high-performance green building initiatives; and

(D) identifying short-term and long-term cost savings that accrue from high-performance green building initiatives, including those relating to health and productivity;

(6) identifies and develop Federal high-performance green building standards and rating systems consistent with the requirements of this subtitle and section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D));

(7) establishes green practices that can be used in accordance with the requirements of this subtitle and section 305(a)(3)(D) of that Act and the criteria established in subsection (b); and

(8) identifies and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee.

(6) IMPLEMENTATION.—Not later than October 31 of each of the 2 fiscal years following the fiscal year in which this Act is enacted, and at such times thereafter as the Comptroller General of the United States determines to be appropriate, the Comptroller General of the United States shall, with respect to the fiscal years that have passed since the preceding report—

(1) conduct an audit of the implementation of the requirements of this subtitle, section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), and section 455; and

(2) submit to the Federal Director, the Advisory Committee, the Administrator, and Congress a report describing the results of the audit.

(b) CONTENTS.—An audit under subsection (a) shall include a review, with respect to the period covered by the report under subsection (a), of—

(1) budget, life-cycle costing, and contracting issues, using best practices identified by the Comptroller General of the United States; and

(2) the level of coordination among the Federal Director, the Office of Management and Budget, the Department of Energy, and relevant agencies;

(3) the performance of the Federal Director and other agencies in carrying out the implementation plan;

(4) the design stage of high-performance green building measures; and

(5) high-performance building data that were collected and reported to the Office and relevant agencies.

(c) REPORT.—The Federal Director shall review, with the Advisory Committee to enhance, and assist in the implementation of, the Office of Management and Budget government efficiency reports and scorecards under section 305(b) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), the Office of Management and Budget government efficiency reports and scorecards, and the Environmental Stewardship Scorecard announced at the White House summit on Federal sustainable buildings in...
January 2006, to measure the implementation by each Federal agency of sustainable design and green building initiatives.

SEC. 438. STORM WATER RUNOFF REQUIREMENTS FOR FEDERAL DEVELOPMENT PROJECTS.

The sponsor of any development or redevelopment of a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the property with regard to the temperature, rate, volume, and duration of flow.

SEC. 439. COST-EFFECTIVE TECHNOLOGY ACCELERATION PROGRAM

(a) DEFINITION OF ADMINISTRATOR.—In this section, the term ‘‘Administrator’’ means the Administrator of General Services.

(b) ESTABLISHMENT.—The Administrator shall establish a program to accelerate the use of more cost-effective technologies and practices at GSA facilities.

(1) REQUIREMENTS.—The program established under this subsection shall—

(A) ensure centralized responsibility for the coordination of cost reduction-related recommendations, practices, and activities of all relevant Federal agencies;

(B) provide technical assistance and operational guidance to applicable tenants to achieve the goal identified in subsection (c)(2)(B)(ii); and

(C) establish methods to track the success of Federal departments and agencies with respect to that goal;

(D) be fully coordinated with and no less stringent nor less energy-conserving or water-conserving than required by other provisions of this Act and other applicable law, including sections 321 through 324, 431 through 434, 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections.

(c) ACCELERATED USE OF TECHNOLOGIES.—

(1) REVIEW.—

(A) IN GENERAL.—As part of the program under this section, not later than 90 days after the date of enactment of this Act, the Administrator shall conduct a review of—

(i) the use of cost-effective lighting technologies and geothermal heat pumps in GSA facilities; and

(ii) the availability to managers of GSA facilities of cost-effective technologies and geothermal heat pumps.

(B) REQUIREMENTS.—The review under subparagraph (A) shall—

(i) examine the use of cost-effective lighting technologies, geothermal heat pumps, and other cost-effective technologies and practices by Federal agencies in GSA facilities; and

(ii) as prepared in consultation with the Administrator of the Environmental Protection Agency, identify cost-effective lighting technologies, geothermal heat pump technology standards that could be used for all types of GSA facilities.

(2) REPLACEMENT.—

(A) IN GENERAL.—As part of the program under this section, not later than 180 days after the date of enactment of this Act, the Administrator shall establish, using available funds from programs implementing sections 432 through 434, 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections, a program to replace existing lighting, heating, and cooling technologies with cost-effective lighting technologies and geothermal heat pump technologies, to the maximum extent feasible (including at the maximum rate feasible), at each GSA facility.

(B) GOAL.—The goal of the timetable under clause (i) shall be to complete, using available appropriations and programs implementing sections 431 through 435 (and amendments made by those sections), the maximum feasible replacement of existing lighting, heating, and cooling technologies with cost-effective lighting technologies and geothermal heat pump technologies, consistent with the requirements of the Act including sections 432 through 435, whichever achieves greater energy savings most expeditiously, including milestones and objectives needed to ensure that new lighting, heating, and cooling technologies with cost-effective lighting technologies and geothermal heat pump technologies consistent with the requirements of the Act and sections 431 through 435, whichever achieves greater energy savings most expeditiously. Notwithstanding any provision of this section, such program shall fully comply with the requirements of the Act including sections 321 through 324, 431 through 434, 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections.

(d) GSA FACILITY TECHNOLOGIES AND PRACTICES.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, and annually thereafter, the Administrator shall—

(A) ensure that a manager responsible for implementing measures that will assure accelerating the use of cost-effective technologies and practices is designated for each GSA facility; and

(B) submit to Congress a plan to comply with section 432, this section, and applicable law with respect to energy and water conservation and efficiency;

(2) MEASURES.—The plan shall implement measures required by such other provisions of law in accordance with those provisions, and shall include at the measures required by this section to the maximum extent feasible (including at the maximum rate feasible) using available appropriations and programs implementing sections 432 through 435 and 525 (and amendments made by those sections), by not later than the date that is 5 years after the date of enactment of this Act.

(3) CONTENTS OF PLAN.—The plan shall—

(A) with respect to cost-effective technologies and practices—

(i) identify the specific activities needed to comply with sections 431 through 435;

(ii) identify the specific activities needed to achieve at least a 20-percent reduction in operational costs through the application of cost-effective technologies and practices from 2003 levels at GSA facilities by not later than 5 years after the date of enactment of this Act;

(iii) describe activities required and carried out to estimate the funds necessary to achieve the reduction described in clauses (i) and (ii);

(B) include an estimate of the funds necessary to carry out this section;

(C) describe the status of implementation of cost-effective technologies and practices at GSA facilities, including—

(i) the extent to which programs, including those established under subsection (b), are being carried out in accordance with this subtitle; and

(ii) the status of funding requests and appropriate appropriations for the cost-effective technologies and practices;

(D) identify within the planning, budgeting, and construction processes, all types of GSA facility-related procedures that include milestones and objectives needed to ensure cost-effective technologies and practices are implemented from implementing cost-effective technologies; and

(E) recommend language for uniform standards for use by Federal agencies in implementing cost-effective technologies and practices;

(F) in coordination with the Office of Management and Budget, review the budget proposals for capital programs with respect to alternatives for—

(i) implementing measures that will assure that Federal agencies retain all identified savings accrued as a result of cost-effective technologies, consistent with section 548(a)(1) of the National Energy Conservation Policy Act (42 U.S.C. 825a(a)(1), and other applicable law; and

(ii) identifying short- and long-term cost savings that accrue from the use of cost-effective technologies and practices;

(G) with respect to cost-effective technologies and practices, achieve substantial operational cost savings through the application of the technologies; and

(H) include recommendations to address each of the matters, and a plan for implementation of each recommendation, described in subparagraphs (A) through (G).

(4) ADMINISTRATION.—Notwithstanding any provision of this section, the program required under this section shall fully comply with the requirements of sections 321 through 324, 431 through 434, 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections.
“(B) recovers not less than 60 percent of the energy value in the fuel (on a higher-heating-value basis) in the form of useful thermal energy and electricity.

(6) PROPOSAL.—The term ‘‘project’’ means a recoverable waste energy project or a combined heat and power system project.

(5) RECOVERABLE WASTE ENERGY.—The term ‘‘recoverable waste energy’’ means waste energy from which electricity or useful thermal energy may be recovered through modification of an existing facility or addition of a new facility.

(6) REGISTRY.—The term ‘‘Registry’’ means the Registry of Recoverable Waste Energy Sources established under section 372(d).

(7) USEFUL THERMAL ENERGY.—The term ‘‘useful thermal energy’’ means energy—

(a) in the form of direct heat, steam, hot water, or other thermal form that is used in production and beneficial utilization of the resource for heating, cooling, humidity control, process use, or other valid thermal end-use energy requirements; and

(b) for which fuel or electricity would otherwise be consumed.

(8) WASTE ENERGY.—The term ‘‘waste energy’’ means—

(A) exhaust heat or flared gas from any industrial process;

(B) waste gas or industrial tail gas that would otherwise be flared, incinerated, or vented;

(C) a pressure drop in any gas, excluding any pressure drop to a condenser that subsequently vents the resulting heat; and

(D) such other forms of waste energy as the Administrator may determine.

(9) OTHER TERMS.—The terms ‘‘electric utility,’’ ‘‘nonregulated electric utility,’’ ‘‘State regulated electric utility’’, and other terms have the meanings given those terms in title I of the Public Utilities Regulatory Policies Act of 1978 (16 U.S.C. 2611 et seq.).

SEC. 372. SURVEY AND REGISTRY.

(a) RECOVERABLE WASTE ENERGY INVENTORY.—

(1) IN GENERAL.—The Administrator, in cooperation with the Secretary and State energy offices, shall establish a recoverable waste energy inventory program.

(2) SURVEY.—The program shall include—

(A) an ongoing survey of all major industrial and large commercial combustion sources in the United States (as defined by the Administrator) and the sites at which the sources are located; and

(B) a review of each source for the quantity and quality of waste energy produced at the source.

(b) CRITERIA.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of the Energy Independence and Security Act of 2007, the Secretary shall publish a rule for establishing criteria for including sites in the Registry.

(2) INCLUSIONS.—The criteria shall include—

(A) a requirement that, to be included in the Registry, a project at the site shall be determined to be economically feasible by virtue of offering a payback of invested costs not later than 5 years after the date of first full project operation (including incentives offered under this part);

(B) standards to ensure that projects proposed for inclusion in the Registry are not developed at the primary purpose of making sales of excess electric power under the regulatory provisions of this part; and

(C) procedures for contesting the listing of any source or site on the Registry by any State, utility, or other interested person.

(c) TECHNICAL SUPPORT.—On the request of the Administrator of a source or site included in the Registry, the Secretary shall—

(1) provide to owners or operators of combustion sources technical support;

(2) offer partial funding (in an amount equal to not more than ¼ of total costs) for feasibility studies to confirm whether or not investment in recovery of waste energy or combined heat and power at a source would offer a payback period of 5 years or less.

(d) REGISTRY.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Energy Independence and Security Act of 2007, the Administrator shall establish a Registry of Recoverable Waste Energy Sources, and sites on which the sources are located, that meet the criteria established under subsection (b).

(B) UPDATES; AVAILABILITY.—The Administrator shall—

(i) update the Registry on a regular basis; and

(ii) make the Registry available to the public on the website of the Environmental Protection Agency.

(2) CONTENTS.—

(A) IN GENERAL.—The Administrator shall register and include on the Registry all sites meeting the criteria established under subsection (b).

(B) QUANTITY OF RECOVERABLE WASTE ENERGY.—The Administrator shall—

(i) calculate the total quantities of potentially recoverable waste energy from sources at the sites, nationally and by State; and

(ii) make public—

(I) the total quantities described in clause (i); and

(II) information on the criteria pollutant and greenhouse gas emissions savings that might be achieved with recovery of the waste energy from all sources and sites listed on the Registry.

(3) AVAILABILITY OF INFORMATION.—

(A) IN GENERAL.—The Administrator shall notify owners or operators of recoverable waste energy sources and sites listed on the Registry prior to publishing the listing.

(B) DETAILED QUANTITATIVE INFORMATION.—

(1) IN GENERAL.—Except as provided in clause (ii), the owner or operator of a source at a site may elect to have detailed quantitative information concerning the site not made public by notifying the Administrator of the election.

(ii) LIMITED AVAILABILITY.—The information shall be made available to—

(1) the affected State energy office; and

(2) any utility requested to support recovery of waste energy from the source pursuant to the incentives provided under section 374.

(3) STATE TOTALS.—Information concerning the site shall be included in the total quantity of recoverable waste energy for a State unless there are fewer than 3 sites in the State.

(4) REMOVAL OF PROJECTS FROM REGISTRY.—

(A) IN GENERAL.—Subject to subparagraph (B), if a project achieves successful recovery of waste energy, the Administrator shall—

(i) remove the related sites or sources from the Registry; and

(ii) designate the removed projects as eligible for incentives under section 374.

(B) LIMITATION.—No project shall be removed from the Registry without the consent of the owner or operator of the project if—

(1) the owner or operator has submitted a petition under section 374; and

(2) the petition has not been acted on or denied.

(5) INELIGIBILITY OF CERTAIN SOURCES.—The Administrator shall not list any source constructed after the date of the enactment of the Energy Independence and Security Act of 2007 on the Registry if the Administrator determines that the source—

(A) was developed for the primary purpose of making sales of excess electric power under the regulatory provisions of this part; or

(B) does not capture at least 60 percent of the total energy value of the fuels used (on a higher-heating-value basis) in the form of useful thermal energy, electricity, mechanical energy, chemical output, or any combination thereof.

(6) SELF-CERTIFICATION.—

(1) IN GENERAL.—Subject to any procedures that are established by the Administrator, an owner, operator, or third-party developer of a recovery or project that qualifies under standards established by the Administrator may self-certify the sites or sources of the owner, operator, or developer for inclusion in the Registry.

(2) REVIEW AND APPROVAL.—To prevent a fraudulent listing, a site or source shall be included on the Registry only if the Administrator reviews and approves the self-certification.

(7) NEW FACILITIES.—As a new energy-consuming industrial facility is developed after the date of enactment of the Energy Independence and Security Act of 2007, to the extent the facility may constitute a site with recoverable waste energy, the Administrator may, in cooperation with the Secretary of Energy, suggest to the registry for inclusion on the Registry, the Administrator may elect to include the facility on the Registry, at the request of the owner, operator, or developer of the facility, on a conditional basis with the site to be removed from the Registry if the development ceases or the site fails to qualify for listing under this part.

(8) OPTIMUM MEANS OF RECOVERY.—For each site listed in the Registry, at the request of the owner or operator of the site, the Administrator shall, in cooperation with Clean Energy Application Centers operated by the Secretary of Energy, suggest to the registry for inclusion on the Registry, the Administrator may elect to include the facility on the Registry, at the request of the owner, operator, or developer of the facility, on a conditional basis with the site to be removed from the Registry if the development ceases or the site fails to qualify for listing under this part.

(9) REVISION.—Each annual report of a State under section 374(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) shall include the results of the survey for the State under this section.

SEC. 373. WASTE ENERGY RECOVERY INCENTIVE PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish in the Department of Energy a waste energy recovery incentive grant program to provide incentive grants to—
“(1) owners and operators of projects that successfully produce electricity or incrementally useful thermal energy from waste energy recovery;

(2) entities purchasing or distributing the electricity; and

(3) States that have achieved 80 percent or more of recoverable waste heat recovery opportunities and payments of $200,000,000 for each of fiscal years 2008 through 2012; and

(4) in the case of excess power purchased or transmitted by a utility, to the utility.

(2) Proof.—Grants may only be made under this section on receipt of proof of waste energy recovery or excess electricity generation, or both, from the project in a form prescribed by the Secretary.

(3) EXCESS ELECTRICAL ENERGY.—

(A) In general.—In the case of waste energy recovery, a grant under this section shall be made at the rate of $10 per megawatt hour of documented electricity produced from recoverable waste energy (or by prevention of waste energy) by the project during the first 3 calendar years of production, beginning on or after the date of enactment of the Energy Independence and Security Act of 2007.

(B) UTILITIES.—If the project produces net excess power and an electric utility purchases or transports the excess power, 50 percent of so much of the grant as is attributable to the net excess power shall be paid to the electric utility purchasing or transporting the net excess power.

(4) USEFUL THERMAL ENERGY.—In the case of waste energy recovery that produces useful thermal energy that is used for a purpose different from that for which the project was principally designed, a grant under this section shall be made to the owner or operator of the waste energy recovery project at the rate of $10 for each 3,422,000 Btu of the excess thermal energy used for the different purpose.

(c) GRANTS TO STATES.—In the case of any State that has achieved 80 percent or more of waste heat recovery opportunities identified by the Secretary under this part, the Administrator shall make a 1-time grant to the State for net of not more than $200,000,000 for each of fiscal years 2008 through 2012.

(1) consideration of standard.—

(1) in general.—Not later than 180 days after the receipt by a State regulatory authority (as defined in section 7 of the Energy Independence and Security Act of 2007) for which the authority has ratemaking authority, or nonregulated electric utility, of a request from a project sponsor or owner or operator, the State regulatory authority or nonregulated electric utility shall

(A) provide public notice and conduct a hearing respecting the standard established by subsection (b); and

(B) on the basis of the hearing, consider and make a determination whether or not it is appropriate to implement the standard to carry out the purposes of this section.

(2) relation to state law.—For purposes of any determination under paragraph (1) and any review of the determination in any court, this section supplement otherwise applicable State law.

(3) nonadoption of standard.—Nothing in this section prohibits any State regulatory authority or nonregulated electric utility from making any determination that it is not appropriate to adopt any standard described in paragraph (1), pursuant to authority under otherwise applicable State law.

(3) nonadoption of standard.—Nothing in this part prohibits any State regulatory authority or nonregulated electric utility from making any determination that it is not appropriate to adopt any standard described in paragraph (1), pursuant to authority under otherwise applicable State law.

(b) standard for sales of excess power.—For purposes of this section, the standard referred to in paragraph (a) shall be that which provides that an owner or operator of a waste energy recovery project identified on the Registry that generates net excess power shall be eligible to benefit from at least 1 of the options described in subsection (c) for disposal of the net excess power in accordance with the rate conditions and limitations described in subsection (d).

(c) options.—The options referred to in subsection (b) are as follows:

(1) sale of net excess power to utility.—The electric utility shall purchase the net excess power from the owner or operator of the eligible waste energy recovery project during the operational period of the project under a contract entered into for that purpose.

(2) transport by utility for direct sale to third party.—The electric utility shall transmit or transport the net excess power on behalf of the project owner or operator to up to 3 separate locations on the system of the utility for direct sale by the owner or operator to third parties at those locations.

(3) transport over private transmission lines.—The State and the electric utility shall permit, and shall waive or modify such rules, regulations, or requirements of the State that would otherwise prohibit, the construction and operation of private electric wires constructed, owned, and operated by the project owner or operator, to transport the power to up to 3 purchasers within a 3-mile radius of the project, allowing the wires to be used for cross public rights-of-way, without subjecting the project to regulation as a public utility, and according the wires the same treatment for safety, zoning, land use, and other legal privileges as apply or would apply to the wires of the utility, except that

(A) there shall be no grant of any power of eminent domain to take or cross private property for the wires; and

(B) the wires shall be physically segregated and not interconnected with any portion of the system of the utility, except on the customer side of the revenue meter of the utility system and in a manner that precludes any possible export of the electricity onto the utility system, or disruption of the system.

(4) AGREED ON ALTERNATIVES.—The utility and the owner or operator of the project may reach agreement on any alternate arrangement with the State that is mutually satisfactory and in accord with State law.

(5) RATE CONDITIONS AND LIMITATIONS.—

(1) definitions.—In this subsection:

(A) per unit distribution costs.—The term ‘per unit distribution costs’ means (in kilowatt hours) the quotient obtained by dividing—

(i) the depreciated book-value distribution system costs of a utility, by

(aa) the volume of utility electricity sales or transmission during the previous year at the distribution level.

(B) per unit transmission costs.—The term ‘per unit transmission costs’ means the total cost of those transmission services purchased or provided by a utility on a per-kilowatt-hour basis as included in the retail rate of the utility.

(2) options.—The options described in paragraphs (1) and (2) in subsection (c) shall be offered under purchase and transport rate structures that require payment of rates defined under paragraph (1) as applicable under the circumstances described in paragraph (3).

(3) applicable rates.—

(A) rates applicable to sale of net excess power.—

(i) in general.—Sales made by a project owner or operator of the project under the option described in subsection (c)(1) shall be paid for on a per kilowatt hour basis that shall equal the full undiscounted retail rate of the utility for power purchased by the facility minus per unit distribution costs, that applies to the type of utility purchasing the power.

(ii) voltages exceeding 25 kilovolts.—If the net excess power is made available for purchase at voltages that must be transformed to or from voltages exceeding 25 kilovolts to be available for resale by the utility, the purchase price shall further be reduced by per unit transmission costs.

(B) rates applicable to transport by utility for direct sale to third parties.—

(i) in general.—Transportation by utilities of power on behalf of the owner or operator of a project under the option described in subsection (c)(2) shall incur a transportation rate that shall equal the per unit distribution costs and per unit distribution margin, that applies to the type of utility transporting the power.

(ii) voltages exceeding 25 kilovolts.—If the net excess power is made available for...
transportation at voltages that must be transformed to or from voltages exceeding 25 kilovolts to be transported to the designated third-party purchasers, the transport rate shall not be increased by per unit transmission costs.

“(iii) States with competitive retail markets for electricity.—In a State with a competitive retail market for electricity, the applicable transportation rate for similar transportation shall be applied in lieu of any rate calculated under this paragraph.

“(4) Types.—

“(A) IN GENERAL.—Any rate established for sale or transportation under this section shall

“(i) be modified over time with changes in the underlying costs or rates of the electric utility; and

“(ii) reflect the same time-sensitivity and billing periods as are established in the retail sales or transportation rates offered by the utility.

“(B) LIMITATION.—No utility shall be required to purchase or transport a quantity of net excess power under this section that exceeds the available capacity of the wires, meters, or other equipment of the electric utility serving the site unless the owner or operator of the project agrees to pay necessary and reasonable upgrade costs.

“(e) REQUIREMENTS FOR CONSIDERATION AND DETERMINATION.—

“(1) PUBLIC NOTICE AND HEARING.—(A) The consideration referred to in subsection (a) shall be made after public notice and hearing.

“(B) ADMINISTRATION.—The determination referred to in subsection (a) shall be—

“(i) in writing;

“(ii) based on findings included in the determination and on the evidence presented at the hearing; and

“(iii) available to the public.

“(2) INTERVENTION BY ADMINISTRATOR.—The Administrator may intervene as a matter of right in a proceeding conducted under this section—

“(A) to calculate—

“(i) the energy and emissions likely to be saved by electing to adopt 1 or more of the options; and

“(ii) the costs and benefits to ratepayers and the utility; and

“(B) to provide project specific support to the waste-energy recovery opportunity.

“(3) PROCEDURES.—

“(A) IN GENERAL.—Except as otherwise provided in paragraphs (1) and (2), the procedures for the consideration and determination referred to in subsection (a) shall be the procedures established by the State regulatory authority or the nonregulated electric utility.

“(B) MULTIPLE PROJECTS.—If there is more than one project seeking consideration simultaneously in connection with the same utility, the proceeding may encompass all such projects, if full attention is paid to individual merits and merits and an individual judgment is reached with respect to each project.

“(d) IMPLEMENTATION.—

“(1) IN GENERAL.—The State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility may, to the extent consistent with otherwise applicable State law—

“(A) implement the standard determined under this section; or

“(B) decline to implement any such standard.

“(2) NONIMPLEMENTATION OF STANDARD.—

“(A) IN GENERAL.—If a State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility declines to implement any standard established by this section, the authority or nonregulated electric utility shall state in writing the reasons for declining to implement the standard.

“(B) AVAILABILITY TO PUBLIC.—The statement of reasons shall be available to the public.

“(C) ANNUAL REPORT.—The Administrator shall include in an annual report submitted to Congress a description of the lost opportunities for waste-heat recovery from the projects discussed in subparagraph (A), specifically identifying the utility and stating the quantity of lost energy and emissions savings calculated.

“(D) NEW PETITION.—If a State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility declines to implement the standard established by this section, the project sponsor may submit a new petition under this section with respect to the project at any time after the date that is 2 years after the date on which the State regulatory authority or nonregulated utility declined to implement the standard.

“SEC. 375. CLEAN ENERGY APPLICATION CENTERS.

“(a) RENAME.—

“(1) IN GENERAL.—The Combined Heat and Power Application Centers of the Department of Energy are redesignated as Clean Energy Application Centers.

“(2) REFERENCES.—Any reference in any law, rule, regulation, or publication to a Combined Heat and Power Application Center shall be treated as a reference to a Clean Energy Application Center.

“(b) RELOCATION.—

“(1) IN GENERAL.—In order to better coordinate efforts with the separate Industrial Assessment Centers and to ensure that the energy efficiency and, when applicable, the renewable nature of deploying mature clean energy technology is fully accounted for, the Secretary shall relocate the administration of the Clean Energy Application Centers to the Office of Energy Efficiency and Renewable Energy within the Department of Energy.

“(2) OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY.—The Office of Electricity Delivery and Energy Reliability shall—

“(A) continue to perform work on the role of technology in paragraph (1) in support of the grid and the reliability and security of the technology; and

“(B) assist the Clean Energy Application Centers in the work of the Centers with regard to the grid and with electric utilities.

“(c) GRANTS.—

“(1) IN GENERAL.—The Secretary shall make grants to eligible entities to provide project specific support to the clean energy application centers, and other appropriate institutions to ensure the continued operations and effectiveness of 8 Regional Clean Energy Application Centers in each of the following regions (as designated for such purposes as of the date of the enactment of the Energy Independence and Security Act of 2007):

“(A) Gulf Coast.

“(B) Intermountain.

“(C) Mid-Atlantic.

“(D) Midwest.

“(E) Northeast.

“(F) Northwest.

“(G) Pacific.

“(H) Southeast.

“(2) ELIGIBILITY.—The Secretary shall ensure that sufficient goals are established and met by each Center, including, but not limited to, concerning outreach and technology deployment.

“(d) ACTIVITIES.—

“(1) IN GENERAL.—Each Clean Energy Application Center shall—

“(A) operate a program to encourage deployment of clean energy technologies through education and outreach to building and industrial professionals; and other individuals and organizations with an interest in efficient energy use and conservation.

“(B) provide project specific support to building and industrial professionals through assessments and advisory activities.

“(e) TYPES OF ACTIVITIES.—Funds made available under this section may be used—

“(A) to develop and distribute informational materials on clean energy technologies including the 8 websites in existence on the date of enactment of the Energy Independence and Security Act of 2007;

“(B) to develop and conduct target market workshops, seminars, internet programs, and other activities to educate end users, regulators, and stakeholders in a manner that leads to the deployment of clean energy technologies;

“(C) to provide or coordinate onsite assessments for sites and enterprises that may consider deployment of clean energy technology;

“(D) to perform market research to identify high-profile candidates for clean energy deployment;

“(E) to provide consulting support to sites considering deployment of clean energy technologies;

“(F) to assist organizations developing clean energy technologies to overcome barriers to deployment; and

“(G) to assist companies and organizations with performance evaluations of any clean energy technology implemented.

“(f) DURATION.—

“(1) IN GENERAL.—A grant awarded under this section shall be for a period of 5 years.

“(2) ANNUAL EVALUATIONS.—Each grant shall be evaluated annually for the continuance of the grant based on the activities and results of the grant.

“(g) AUTHORIZATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2008 through 2012.

“(h) TABLE OF CONTENTS.—The table of contents of the Energy Independence and Security Act (42 U.S.C. prev. 6201) is amended by inserting after the items relating to part D of title III the following:

“PART E—INDUSTRIAL ENERGY EFFICIENCY

“Sec. 371. Definitions.

“Sec. 372. Survey and Registry.

“Sec. 373. Waste energy recovery incentive grant program.

“Sec. 374. Additional incentives for recovery, utilization and prevention of industrial waste energy.

“Sec. 375. Clean Energy Application Centers.”
(B) consumer product manufacturing;
(C) food processing;
(D) materials manufacturers, including—
(i) aluminum;
(ii) chemicals industrial and materials;
(iii) forest and paper products;
(iv) metal casting;
(v) glass;
(vi) petroleum refining;
(vii) mining; and
(viii) steel;
(E) other energy-intensive industries, as determined by the Secretary.

(3) PROGRAM.—The term “program” means the energy-intensive industries program established under subsection (b).

(4) REQUIREMENTS.—(A) The Secretary shall establish a program under which the Secretary, in cooperation with energy-intensive industries and national industry trade associations representing the energy-intensive industries, shall support, research, develop, and promote the use of new materials and technologies, and techniques to optimize energy efficiency and the economic competitiveness of the United States' industrial and commercial sectors.

(B) IN GENERAL.—As part of the program, the Secretary shall establish energy efficiency partnerships between the Secretary and eligible entities to conduct research on, develop, and demonstrate new processes, technologies, and operating practices and techniques to significantly improve the energy efficiency of equipment and processes used by energy-intensive industries, including the conduct of activities to—

(1) increase the energy efficiency of industrial processes and facilities;
(B) research, develop, and demonstrate advanced technologies capable of energy intensity reduction and increased environmental performance;
(C) promote the use of the processes, technologies, and techniques described in subparagraphs (A) and (B);

(A) stock and recycling research, development, and demonstration activities to identify and promote—
(i) opportunities for meeting industry feedstock requirements with more energy efficient and flexible sources of feedstock or energy supply;
(ii) strategies to develop and deploy technologies that improve the quality and quantity of feedstocks recovered from process and waste streams; and

(iii) other methods using recycling, reuse, and industrial and materials; and

(B) research to develop and demonstrate technologies and processes that utilize alternative energy sources to supply heat, power, and new feedstocks for energy-intensive industries;

(C) research to achieve energy efficiency in steam, power, control system, and process heat technologies; and in other manufacturing processes; and

(D) industrial and commercial energy efficiency and sustainability assessments to—

(i) assist individual industrial and commercial sectors in developing tools, techniques, and methodologies to assess—

(A) the unique processes and facilities of the sector; and

(B) the energy utilization requirements of the sectors; and

(ii) the application of new, more energy efficient technologies; and

(iii) conduct energy savings assessments; and

(E) the incorporation of technologies and innovative facilities that would significantly improve the energy efficiency and utilization of energy-intensive commercial applications; and

(F) any other activities that the Secretary determines to be appropriate.

(5) PROPOSALS.—(A) IN GENERAL.—To be eligible for funding under this section, a partnership shall submit to the Secretary a proposal that describes the proposed research, development, or demonstration activity to be conducted by the partnership.

(B) REVIEW.—After reviewing the scientific, technical, and commercial merit of a proposal submitted under subparagraph (A), the Secretary shall approve or disapprove the proposal.

(6) COMPETITIVE AWARDS.—The provision of funding under this subsection shall be on a competitive basis.

(7) COST-SHARING REQUIREMENT.—In carrying out this section, the Secretary shall require cost sharing in accordance with section 968 of the Energy Policy Act of 2005 (42 U.S.C. 16352).

(8) GRANTS.—The Secretary may award competitive grants for innovative technology research, development and demonstrations to universities, individual inventors, and small companies, based on energy savings potential, commercial viability, and technical merit.

(A) INSTITUTION OF HIGHER EDUCATION-BASED INDUSTRIAL RESEARCH AND ASSESSMENT CENTERS.—The Secretary shall provide funding to institution of higher education-based industrial research and assessment centers, which—

(1) accept proposals from universities, including both public and private universities, and other appropriate characteristics;

(2) to promote applications of emerging concepts and technologies in small and medium-sized manufacturers;

(3) to promote research and development for the use of alternative energy sources to supply heat, power, and new feedstocks for energy-intensive industries;

(4) to coordinate with appropriate Federal and State research and provide a clearinghouse for industrial process and energy efficiency technical assistance resources; and

(5) to coordinate with State-accredited technical training centers and community colleges, while ensuring appropriate services to all regions of the United States.

(B) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary to carry out this section—

(A) $191,000,000 for fiscal year 2008;

(B) $190,000,000 for fiscal year 2009;

(C) $196,000,000 for fiscal year 2010;

(D) $202,000,000 for fiscal year 2011;

(E) $208,000,000 for fiscal year 2012; and

(F) such sums as are necessary for fiscal years 2013 and each fiscal year thereafter;

2. SEC. 453. ENERGY EFFICIENCY FOR DATA CENTER BUILDINGS.

(4) DATA CENTER.—The term “data center” means any facility that primarily contains electronic equipment used to process, store, and transmit digital information, which may be—

(A) a free-standing structure; or

(B) a facility with a highly modular structure, that uses environmental control equipment to maintain the proper conditions for the operation of electronic equipment.

(5) DATA CENTER OPERATORS.—The term “data center operator” means any person or government entity that builds or operates a data center or purchases data center services, equipment, and facilities.

(a) VOLUNTARY NATIONAL INFORMATION PROGRAM.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary and the Administrator of the Environmental Protection Agency shall, after consulting with information technology industry and other interested parties, initiate a voluntary national information program for those types of data centers and data center equipment and facilities that are widely used and for which there is a potential for significant data center energy savings as a result of the program.

(b) REQUIREMENTS.—The program described in paragraph (1) shall—

(A) address data center energy holistically, reflecting the total energy consumption of data centers as whole systems, including both equipment and facility-related factors;

(B) consider prior work and studies undertaken in this area, including by the Environmental Protection Agency and the Department of Energy;

(C) consistent with the objectives described in paragraph (1), determine the type of data center and data center equipment and facilities to be covered under the program;

(D) produce specifications, measurements, best practices, and benchmarks that will enable data center operators to make more informed decisions about the energy efficiency and costs of data centers, and that take into account—

(i) the performance and use of servers, data storage devices, and other information technology equipment;

(ii) the efficiency of heating, ventilation, and air conditioning, cooling, and power conditioning systems, provided that no modification shall be required of a standard then in effect under the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) for any cost savings attributable to changes in heating, ventilation, air-conditioning, cooling power-conditioning products;

(iii) energy savings from the adoption of software and data management techniques; and

(iv) other factors determined by the organization described in subsection (c);

(E) allow for creation of separate specifications, measurements, and benchmarks based on data center size and function, as well as other appropriate characteristics;

(F) ensure the design, development, and implementation of efficiency technologies to the maximum extent economically practical;

(G) provide to data center operators in the private sector and the Federal Government information about best practices and purchasing decisions that reduce the energy consumption of data centers; and

(H) publish the information described in subparagraph (G) in a way that is disseminated through catalogs, trade publications, the Internet, or other mechanisms, that will allow data center operators to assess the energy consumption and potential cost savings of alternative data centers and data center equipment and facilities.
(3) PROCEEDURES.—The program described in paragraph (1) shall be developed in consultation with and coordinated by the organization described in subsection (c) according to commonly accepted procedures for the development of specifications, measurements, and benchmarks.

(c) DATA CENTER EFFICIENCY ORGANIZATION.—

(1) IN GENERAL.—After the establishment of the program described in subsection (b), the Secretary and the Administrator shall jointly designate an information technology industry organization to consult with and to coordinate the program.

(2) REQUIREMENTS.—The organization designated under paragraph (1), whether pre-existing or formed specifically for the purposes of subsection (b), shall—

(A) consist of interested parties that have expertise in energy efficiency and in the development, operation, and functionality of computer data centers, information technology equipment, and software, as well as representatives of hardware manufacturers, data center operators, and facility managers;

(B) obtain and address input from Department of Energy National Laboratories or any college, university, research institution, industry association, company, or public interest group with applicable expertise in any of the areas described in paragraph (1);

(C) follow commonly accepted procedures for the development of specifications and accredited standards development processes;

(D) develop and implement energy efficiency standards for data centers and information technology and measurement and benchmarking tools for data centers in subsection (d);

(D) MEASUREMENTS AND SPECIFICATIONS.—

(1) IN GENERAL.—The Secretary and the Administrator shall consider the specifications, measurements, and benchmarks described in subsection (b) for use by the Federal Energy Management Program, the Energy Star Program, and other efficiency programs of the Department of Energy and Environmental Protection Agency, respectively.

(2) REQUIREMENTS.—If the Secretary or the Administrator determines that the specifications, measurements, or benchmarks described in subsection (b) are impractical, he or she may not promulgate them. The determination shall be based on a review of the existing or formed specifically for the purposes of subsection (b), whether pre-existing or formed specifically for the purposes of subsection (b), shall—

(A) develop and implement energy efficiency standards for data centers and information technology and measurement and benchmarking tools for data centers in subsection (d);

(D) MEASUREMENTS AND SPECIFICATIONS.—

(1) IN GENERAL.—The Secretary and the Administrator shall consider the specifications, measurements, and benchmarks described in subsection (b) for use by the Federal Energy Management Program, the Energy Star Program, and other efficiency programs of the Department of Energy and Environmental Protection Agency, respectively.

(2) REQUIREMENTS.—If the Secretary or the Administrator determines that the specifications, measurements, or benchmarks described in subsection (b), the Secretary and the Administrator shall, after consultation with the National Institute of Standards and Technology and not later than 2 years after the determination, develop and implement the program under subsection (b).

(g) PROTECTION OF PROPRIETARY INFORMATION.—The Secretary, the Administrator, or the data center operators shall not disclose any proprietary information or trade secrets provided by any individual or company for the purposes of carrying out this section of the program established under this section.

Subtitle E—Healthy High-Performance Schools

SEC. 461. HEALTHY HIGH-PERFORMANCE SCHOOLS.

(a) AMENDMENT.—The Toxic Substances Control Act (15 U.S.C. 2601 et seq.) is amended by adding at the end the following new title:

"TITLE V—HEALTHY HIGH-PERFORMANCE SCHOOLS"

SEC. 501. GRANTS FOR HEALTHY SCHOOL ENVIRONMENTS.

(a) IN GENERAL.—The Administrator, in consultation with the Secretary of Education, may provide grants to States for use in—

(1) providing technical assistance for programs of the Environmental Protection Agency (including the Tools for Schools Program and the Environmental Information Assessment Tool) to schools for use in addressing environmental issues; and

(2) development and implementation of State school environmental health programs that include—

(A) standards for school building design, construction, and renovation; and

(B) identification of ongoing school building environmental problems, including contaminants, hazardous substances, and pollutant emissions, in the State and recommended solutions to address these problems, including assessment of information on the exposure of children to environmental hazards in school facilities.

(b) SUNSET.—The authority of the Administrator to carry out this section shall expire 5 years after the date of enactment of this section.

SEC. 502. MODEL GUIDELINES FOR SITING OF SCHOOL FACILITIES.

Not later than 18 months after the date of enactment of this title, the Administrator, in consultation with the Secretary of Education and the Secretary of Health and Human Services, shall issue voluntary school site selection guidelines for—

(1) the special vulnerability of children to hazardous substances or pollution exposures in any case in which the potential for contamination at a potential school site exists;

(2) modes of transportation available to students and staff;

(3) the efficient use of energy; and

(d) the potential use of a school at the site as an emergency shelter.

ADMINISTRATOR.—The Administrator shall publish and submit to Congress an annual report on all activities carried out under this title, until the expiration of authority described in section 501(b).

(b) PUBLIC OUTREACH.—The Federal Director appointed under section 436(a) of the Energy Independence and Security Act of 2007 (in this title referred to as the 'Federal Director') shall ensure, to the maximum extent practicable, that the public clearinghouse established under section 423(1) of the Energy Independence and Security Act of 2007 receives and makes available information on the exposure of children to environmental hazards in school facilities, as provided by the Administrator.

SEC. 504. ENVIRONMENTAL HEALTH PROGRAM.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this section, the Administrator, in consultation with the Secretary of Education, the Secretary of Health and Human Services, and other relevant agencies, shall issue voluntary guide- lines for the data center operators, State in developing and implementing an environmental health pro- gram for schools that—

(1) takes into account the status and findings of Federal initiatives established under this title or subtitle C of title IV of the Energy Independence and Security Act of 2007 and any other relevant Federal initiatives with respect to school facilities, including relevant updates on trends in the field, such as the impact of school facility environments on students and staff—

(A) health, safety, and productivity; and

(B) disabilities or special needs;

(2) takes into account studies using relevant tools identified or developed in accordance with section 492 of the Energy Independence and Security Act of 2007;

(3) takes into account, with respect to school facilities, each of—

(A) environmental problems, contaminants, hazardous substances, and pollutant emissions, including—

(i) lead from drinking water;

(ii) lead from materials and products;

(iii) asbestos;

(iv) radon;

(v) the presence of elemental mercury releases from products and containers;

(vi) pollutant emissions from materials and products; and

(vii) any other environmental problem, contaminant, hazardous substance, or pollutant emission that present or may present a risk to the health of occupants of the school facilities or environment;

(B) natural day lighting;

(C) ventilation choices and technologies;

(D) heating and cooling choices and technologies;

(E) moisture control and mold;

(F) maintenance, cleaning, and pest control activities;

(G) acoustics; and

(H) other issues relating to the health, comfort, productivity, and performance of occupants of the school facilities;

(i) provides technical assistance on siting, design, management, and operation of school facilities, including facilities used by students with disabilities or special needs; and

(j) establishes and funds pediatric health centers to assist in on-site school environmental health investigations;

(6) assists States and the public in better understanding and improving the environmental health of children; and

(7) takes into account the special vulnerability of children in low-income and minority communities to exposures from contaminants, hazardous substances, and pollutant emissions.

(b) PUBLIC OUTREACH.—The Federal Director and Commercial Director shall ensure, to the maximum extent practicable, that the public clearinghouse established under section 423 of the Energy Independence and Security Act of 2007 receives and makes available—

(1) information from the Administrator that is contained in the report described in section 503(a); and

(2) information on the exposure of children to environmental hazards in school facilities, as provided by the Administrator.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $1,000,000 for fiscal year 2009, and $1,500,000 for each of fiscal years 2010 through 2013, to remain available until expended.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents for the Toxic Substances...
Control Act (15 U.S.C. 2601 et seq.) is amended by adding at the end the following:

"TITLE V—HEALTHY HIGH-PERFORMANCE SCHOOLS"

"Sec. 501. Grants for healthy school environment.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency shall enter into an arrangement with the Secretary of Education and the Secretary of Energy to conduct studies of how sustainable building features such as energy efficiency affect multiple perceived indoor environmental quality stressors on students in K-12 schools.

(b) CONTENTS.—The study shall—

(1) investigate the combined effect building stressors such as heating, cooling, humidity, lighting, and acoustics on building occupants’ health, productivity, and overall well-being;

(2) identify how sustainable building features, such as energy efficiency, are influencing these human outcomes singly and in concert; and

(3) establish that the impacts of the indoor environmental quality are evaluated as a whole.

(c) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated for carrying out this section $200,000 for each of the fiscal years 2008 through 2012.

Subtitle F—Institutional Entities

SEC. 461. ENERGY SUSTAINABILITY AND EFFICIENCY GRANTS AND LOANS FOR INSTITUTIONS.

Part G of title III of the Energy Policy and Conservation Act is amended by inserting after section 399 (42 U.S.C. 673f) the following:

"SEC. 399A. ENERGY SUSTAINABILITY AND EFFICIENCY GRANTS AND LOANS FOR INSTITUTIONS.

"(a) DEFINITIONS.—In this section:

"(1) COMBINED HEAT AND POWER.—The term ‘combined energy’ means the generation of electric energy and heat in a single, integrated system, with an overall thermal efficiency of 60 percent or greater on a higher heating value basis.

"(2) DISTRICT ENERGY SYSTEMS.—The term ‘district energy systems’ means systems providing thermal energy from a renewable energy source, electric energy source, or highly efficient technology to more than 1 building or fixed energy-consuming use from 1 or more thermal-energy production facilities through pipes or other means to provide space heating, space conditioning, hot water, steam, compression, process energy, or other end uses for that energy.

"(3) ENERGY SUSTAINABILITY.—The term ‘energy sustainability’ includes using a renewable energy source, thermal energy source, or a highly efficient technology for transportation, electricity generation, heating, cooling, lighting, or other energy services in fixed installations.

"(4) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given in the term in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801).

"(5) INSTITUTIONAL ENTITY.—The term ‘institutional entity’ means an institution of higher education, a public school district, a local government, a municipal utility, or a designee of 1 of those entities.

"(6) RENEWABLE ENERGY SOURCE.—The term ‘renewable energy source’ has the meaning given the term in section 609 of the Public Utility Regulatory Policies Act of 1978 (7 U.S.C. 918c).

"(7) SUSTAINABLE ENERGY INFRASTRUCTURE.—The term ‘sustainable energy infrastructure’ means—

"(A) facilities for production of energy from renewable energy sources, thermal energy source, or highly efficient technology, including combined heat and power or other waste heat use; and

"(B) district energy systems.

"(8) THERMAL ENERGY SOURCE.—The term ‘thermal energy source’ means—

"(A) a natural source of cooling or heating from lake or ocean water; and

"(B) recovery of useful energy that would otherwise be wasted from ongoing energy uses.

"(9) TECHNICAL ASSISTANCE GRANTS.—

"(1) IN GENERAL.—Subject to the availability of appropriated funds, the Secretary shall implement a program of information dissemination and technical assistance to institutional entities to assist the institutional entities in identifying, evaluating, designing, and implementing sustainable energy infrastructure projects in energy sustainability.

"(2) ASSISTANCE.—The Secretary shall support institutional entities in—

"(A) identification of opportunities for sustainable energy infrastructure;

"(B) understanding the technical and economic characteristics of sustainable energy infrastructure;

"(C) establishing interconnection and negotiation of power and fuel contracts;

"(D) understanding financing alternatives;

"(E) permitting and siting issues;

"(F) obtaining any similar and successful sustainable energy infrastructure systems; and

"(G) reviewing and obtaining computer software for assessment, design, and operation and maintenance of sustainable energy infrastructure systems.

"(3) ELIGIBLE COSTS FOR TECHNICAL ASSISTANCE GRANTS.—

"(A) DEFINITIONS.—In this subsection:

"(i) $50,000; or

"(ii) available technology in an innovative application that maximizes energy efficiency and sustainability;

"(B) have the greatest potential for testing or demonstrating new technologies or processes; and

"(C) to the extent undertaken by an institution of higher education, ensure active student participation in the project, including planning, implementation, evaluation, and other phases of projects.

"(2) INNOVATION PROJECTS.—An innovation project carried out with a grant under this subsection shall—

"(A) involve—

"(i) an innovative technology that is not yet commercially available; or

"(ii) available technology in an innovative application that maximizes energy efficiency and sustainability;

"(B) be carried out by—

"(i) an institution of higher education; and

"(ii) a designee of 1 of those entities.

"(C) minimum funding.—Not less than 50 percent of the total funding for all grants under this subsection shall be awarded in grants to institutions of higher education.

"(D) reduction in consumption of fossil fuels.

"(E) active student participation; and

"(F) need for funding assistance.

"(3) CONDITION.—As a condition of receiving a grant under this subsection, an institutional entity shall agree to—

"(A) to implement a public awareness campaign concerning the project in the community in which the institutional entity is located;

"(B) submit to the Secretary, and make available to the public, reports on any efficiency improvements, energy cost savings, and environmental benefits achieved as part of a project carried out under paragraph (1), including quantification of the results relative to the criteria described under paragraph (2).

"(4) GRANTS FOR INNOVATION IN ENERGY SUSTAINABILITY.—

"(1) GRANTS.—

"(A) IN GENERAL.—The Secretary shall award grants to institutional entities to engage in innovative energy sustainability projects.

"(B) REQUIREMENT.—To the extent that applications have been submitted, grants under subparagraph (A) shall include not less than 2 grants each year to institutions of higher education in each State.

"(5) MINIMUM FUNDING.—Not less than 50 percent of the total funding for all grants under this subsection shall be awarded in grants to institutions of higher education.

"(6) ALLOCATION TO INSTITUTIONS OF HIGHER EDUCATION WITH SMALL ENDOWMENTS.—

"(1) IN GENERAL.—Of the total amount of grants provided to institutions of higher education for a fiscal year under this section, the Secretary shall provide not less than 50 percent of the amount to institutions of higher education that have an endowment of not more than $100,000.

"(7) REQUIREMENT.—To the extent that applications have been submitted, at least 50 percent of the amount described in paragraph (1) shall be provided to institutions of higher education that have an endowment of not more than $50,000,000.

"(1) GRANT AMOUNTS.—

"(A) IN GENERAL.—If the Secretary determines that cost sharing is appropriate, the amounts of grants provided under this subsection shall be limited as provided in this subsection.

"(B) TECHNICAL ASSISTANCE GRANTS.—In the case of grants for technical assistance under subsection (b), grant funds shall be available for allocations that—

"(1) an amount equal to the lesser of—

"(i) $50,000; or

"(ii) the amount given by—

"(I) the fiscal years 2008 through 2012.
“(ii) 75 percent of the cost of feasibility studies to assess the potential for implementation or improvement of sustainable energy infrastructure;

(B) an amount equal to the lesser of—

(i) $900,000; or

(ii) 60 percent of the cost of guidance on overcoming barriers to project implementation, including financial, contracting, siting, and permitting barriers; and

(C) an amount equal to the lesser of—

(i) $300,000; or

(ii) 40 percent of the cost of detailed engineering and design of sustainable energy infrastructure.

(3) COSTS FOR EFFICIENCY IMPROVEMENT AND ENERGY SUSTAINABILITY.—In the case of grants for efficiency improvement and energy sustainability under subsection (c), grant funds shall be available for not more than an amount equal to the lesser of—

(A) $1,000,000; or

(B) 60 percent of the total cost.

(4) GRANTS FOR INNOVATION IN ENERGY SUSTAINABILITY.—In the case of grants for innovation in energy sustainability under subsection (d), grant funds shall be available for not more than an amount equal to the lesser of—

(A) $500,000; or

(B) 75 percent of the total cost.

(5) LOANS FOR ENERGY EFFICIENCY IMPROVEMENT AND ENERGY SUSTAINABILITY.—

(A) IN GENERAL.—Subject to the availability of funds, the Secretary shall provide loans to institutional entities for the purpose of implementing energy efficiency improvements and sustainable energy infrastructure.

(B) TERMS AND CONDITIONS.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, loans made under this subsection shall be on such terms and conditions as the Secretary may prescribe.

(B) MATURITY.—The final maturity of loans made within a period shall be the lesser of, as determined by the Secretary—

(i) 20 years; or

(ii) 90 percent of the useful life of the principal physical asset to be financed by the loan.

(C) DEFAULT.—No loan made under this subsection may be subordinated to another loan, guarantee, or other financial resource available to the institutional entity.

(D) BENCHMARK INTEREST RATE.—

(i) AUTHORIZATION.—

(A) $250,000; or

(B) an amount equal to the lesser of

(i) 90 percent of the useful life of the principal physical asset to be financed by the loan; or

(ii) $250,000,000,000 in each of fiscal years 2009 through 2013, of which not more than 5 percent may be used for administrative expenses.

(ii) LOAN.

There is authorized to be paid wages at rates not less than those prevailing at the time and place of performance.

(B) AUTHORITY AND FUNCTIONS.—The Secretary of Labor shall have, with respect to the labor standards specified in paragraph (1), the authority and functions set forth in the Reorganization Plan Number 14 of 1950 (15 Fed. Reg. 3176; 64 Stat. 1267) and section 3145 of title 40, United States Code.

(C) PROGRAM PROCEDURES.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish procedures for the solicitation and evaluation of potential projects for grant and loan funding and administration of the grant and loan programs.

(1) AUTHORIZATION.—

(A) GRANTS.—There is authorized to be appropriated for the cost of grants authorized under this title, a sum not to exceed $250,000,000 in each of fiscal years 2009 through 2013, of which not more than 5 percent may be used for administrative expenses.

(B) LOAN.

There is authorized to be appropriated for the initial cost of direct loans authorized under subsection (g) $500,000,000 in each of fiscal years 2009 through 2013, of which not more than 5 percent may be used for administrative expenses.

Subtitle G—Public and Assisted Housing SEC. 481. APPLICATION OF INTERNATIONAL ENERGY CONSERVATION CODE TO PUBLIC AND ASSISTED HOUSING.

Section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12709) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(C), by striking, “where such standards are determined to be the most efficient and cost effective standards of Housing and Urban Development”; and

(B) in the first sentence of paragraph (2)—


(ii) by striking “, and, with respect to rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), the 2003 International Energy Conservation Code”;

(2) in subsection (b)—

(A) in the heading, by striking “MODEL ENERGY CODE” and inserting “INTERNATIONAL ENERGY CONSERVATION CODE.”;

(B) by inserting “and rehabilitation” after “all new construction” and;

(C) by striking “, and, with respect to rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), the 2003 International Energy Conservation Code”;

(3) in subsection (c)—

(A) in the heading, by striking “MODEL ENERGY CODE AND”; and

(B) by striking “, and, with respect to rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), the 2003 International Energy Conservation Code”;

(4) by adding at the end following:

(4) FAILURE TO AMEND THE STANDARDS.—If the Secretary of Housing and Urban Development and the Secretary of Agriculture have not, within 1 year after the requirements of the 2006 IECC or the ASHRAE Standard 90.1-2004 are revised, amended the standards or made a determination under subsection (c), all new construction and rehabilitation of hoisted identified in subsection (a) shall meet the requirements of the revised code or standard if—

(i) the Secretary of Housing and Urban Development and the Secretary of Agriculture make a determination that the revised codes do not negatively affect the availability or affordability of new construction of assisted housing and single family and multifamily residential housing (other than manufactured homes) subject to mortgages insured under the National Housing Act (12 U.S.C. 1715 et seq.) or insured by the Secretary of Agriculture under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), respectively; and

(ii) the Secretary of Energy has made a determination under section 304 of the Energy Conservation and Production Act (42 U.S.C. 6633) that the revised code or standard would improve energy efficiency.

(5) by striking “CAIBO Model Energy Code, 1992” each place it appears and inserting “the 2006 IECC”; and

(6) by striking “1999” each place it appears and inserting “2004”.

Subtitle H—General Provisions SEC. 491. DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Federal Director and the Commercial Director shall establish guidelines to implement a demonstration project that contributes to the implementation of the high performance green building code goals of the Office of Commercial High-Performance Green Buildings and the Office of Federal High-Performance Green Buildings.

(b) PROJECTS.—In accordance with guidelines established by the Federal Director and the Commercial Director under subsection (a) and the duties of the Federal Director and the Commercial Director described in this title, the Federal Director or the Commercial Director shall carry out—

(1) for each of fiscal years 2009 through 2014, 1 demonstration project per year of green features in a Federal building selected by the Federal Director in accordance with relevant agencies and described in subsection (c)(1), that—

(A) provides for instrumentation, monitoring, and data collection related to the green features, for study of the impact of the features on overall energy costs, and for the evaluation of the information obtained through the conduct of projects and activities under this title; and

(B) achieves the highest rating offered by the high performance green building system identified pursuant to section 436(h);
(2) no fewer than 4 demonstration projects at 4 universities, that, as competitively selected by the Commercial Director in accordance with subsection (c)(2), have—

(A) approved research resources and relevant projects to meet the goals of the demonstration project established by the Office of Commercial High-Performance Green Buildings;

(B) the ability—

(i) to serve as a model for high-performance green building initiatives, including research by achieving the highest rating offered by the high performance green building system identified pursuant to subsection (b); and

(ii) to identify the most effective ways to use high-performance green building and landscape technologies to engage and educate students and graduate students;

(iii) to implement a high-performance green building education program for students and occupants;

(iv) to demonstrate the effectiveness of various high-performance technologies, including their impacts on energy use and operating costs, in each of the 4 climatic regions of the United States described in subsection (c)(2)(B); and

(v) to explore quantifiable and nonquantifiable beneficial impacts on public health and employee performance;

(3) demonstration projects to evaluate replicable approaches of achieving high performance in actual building operation in various types of existing commercial buildings in various climates; and

(4) deployment activities to disseminate information on and encourage widespread adoption of technologies, practices, and policies to achieve zero-net energy commercial buildings or low energy use and effective monitoring of energy use in commercial buildings.

Section 436(h)

SEC. 492. RESEARCH AND DEVELOPMENT.

(a) Grant Program.

(1) IN GENERAL.—The Administrator shall establish a demonstration grant program under which the Administrator shall provide competitive grants to assist local governments (such as municipalities and counties), with respect to local government buildings—

(A) to deploy cost-effective technologies and practices; and

(B) to achieve operational cost savings, through the application of cost-effective technologies and practices, as verified by the Administrator.

(2) WAIVER OF NON-FEDERAL SHARE.—The Administrator may waive up to 100 percent of the local share of the cost of any grant under this subpart if the Administrator determines that the community is economically distressed, pursuant to objective economic criteria established by the Administrator.

(3) MAXIMUM AMOUNT.—The amount of a grant provided under this subsection shall not exceed $2,000,000.

(4) USE OF GRANTS.—The grants provided under this subsection shall be used—

(A) for indoor air quality improvement technologies and practices, as verified by the Administrator; and

(B) for indoor air quality improvement technologies and practices, as verified by the Administrator.

(b) IN GENERAL.—The Administrator shall disseminate, through the application of cost-effective technologies and practices, as verified by the Administrator.

(c) GUIDELINES.—The guidelines established by the Administrator shall be published in the Federal Register.

SEC. 493. ENVIRONMENTAL PROTECTION AGENCY DEMONSTRATION GRANT PROGRAM FOR LOCAL GOVERNMENTS.

Title III of the Clean Air Act (42 U.S.C. 7601 et seq.) is amended by adding at the end of that title—

SEC. 329. DEMONSTRATION GRANT PROGRAM FOR LOCAL GOVERNMENTS.

(1) IN GENERAL.—The Administrator shall establish a demonstration grant program under which the Administrator shall provide competitive grants to assist local governments (such as municipalities and counties), with respect to local government buildings.

(2) WAIVER OF NON-FEDERAL SHARE.—The Administrator may waive up to 100 percent of the local share of the cost of any grant under this section if the Administrator determines that the community is economically distressed, pursuant to objective economic criteria established by the Administrator.

(3) MAXIMUM AMOUNT.—The amount of a grant provided under this subsection shall not exceed $1,000,000.

(4) USE OF GRANTS.—The grants provided under this subsection shall be used—

(A) for indoor air quality improvement technologies and practices, as verified by the Administrator; and

(B) for indoor air quality improvement technologies and practices, as verified by the Administrator.

(c) GUIDELINES.—The guidelines established by the Administrator shall be published in the Federal Register.
assistant and education, relating to the retrofit of buildings using cost-effective technologies and practices; and

"(C) a requirement that each local government shall agree to contribute a grant under this section shall achieve facility-wide cost savings, through renovation of existing local government buildings using cost-effective technologies, of at least 2.5 percent as compared to the baseline operational costs of the buildings before the renovation (as calculated assuming a 3-year, weather-normalized average).

"(c) COMPLIANCE WITH STATE AND LOCAL LAW.—Nothing in this section or any program carried out using a grant provided under this section affects any State or local law, to the extent that the State or local law contains a requirement that is more stringent than the relevant requirement of this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2007 through 2012.

"(e) REPORT.—

"(1) IN GENERAL.—The Administrator shall provide to Congress on cost savings achieved and actions taken and recommendations made under this section, and any recommendations for further action.

"(2) F INAL REPORT.—The Administrator shall issue a final report at the conclusion of the program, including findings, a summary of total cost savings achieved, and recommendations to the Department on practical ways of lowering costs and increasing investments in energy efficiency technologies.

"(f) TERMINATION.—The program under this section shall terminate on September 30, 2012.

"(g) DEFINITIONS.—In this section, the terms ‘cost effective technologies and practices’ and ‘operating cost savings’ shall have the meanings specified in section 401 of the Energy Independence and Security Act of 2007."

SEC. 494. GREEN BUILDING ADVISORY COMMITTEE.

(a) E STABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Federal Director, in coordination with the Commercial Director, shall establish an advisory committee, to be known as the "Green Building Advisory Committee".

(b) MEMBERSHIP.—

(i) The Committee shall be composed of representatives of, at a minimum—

(A) each agency referred to in section 221(e);

(B) other relevant agencies and entities, as determined by the Federal Director, including at least 1 representative of each of—

(i) State and local government green building programs;

(ii) independent green building associations or councils;

(iii) other experts, including architects, material suppliers, and construction contractors;

(iv) security advisors focusing on national security needs, natural disasters, and other dire emergency situations;

(v) public transportation industry experts; and

(vi) environmental health experts, including those with experience in children’s health.

(ii) NON-FEDERAL MEMBERS.—The total number of non-Federal members on the Committee at any time shall not exceed 15.

(c) MEETINGS.—The Federal Director shall establish a regular schedule of meetings for the Committee.

(d) DUTIES.—The Committee shall provide advice and expertise for use by the Federal Director as he or she may determine under this subtitle, including such recommendations relating to Federal activities carried out under sections 434 through 436 as are agreed to by a majority of the members of the Committee.

(e) FACA EXEMPTION.—The Committee shall be subject to section 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 485. ADVISORY COMMITTEE ON ENERGY EFFICIENCY FINANCING.

(a) ESTABLISHMENT.—The Secretary of Energy, through the Assistant Secretary of Energy for Energy Efficiency and Renewable Energy, shall establish an Advisory Committee on Energy Efficiency to provide advice and recommendations to the Department on energy efficiency finance and investment issues, options, ideas, and trends, and to assist the Secretary in identifying all practical ways of lowering costs and increasing investments in energy efficiency technologies.

(b) MEMBERSHIP.—The advisory committee established under this section shall have a balanced membership that shall include—

(1) availability of seed capital;

(2) availability of venture capital;

(3) availability of other sources of private equity;

(4) investment banking with respect to corporate finance;

(5) investment banking with respect to mergers and acquisitions;

(6) equity capital markets;

(7) debt capital markets;

(8) research analysis;

(9) sales and trading;

(10) commercial lending; and

(11) residential lending.

(c) TERMINATION.—The Advisory Committee on Energy Efficiency shall terminate on the date that is 10 years after the date of enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to the Secretary for carrying out this section.

TITLE V—ENERGY SAVINGS IN GOVERNMENT AND PUBLIC INSTITUTIONS

Subtitle A—United States Capitol Complex

SEC. 501. CAPITOL COMPLEX PHOTOVOLTAIC ROOF FEASIBILITY STUDIES.

(a) STUDIES.—The Architect of the Capitol may conduct feasibility studies regarding the use of photovoltaic roofs for the Rayburn House Office Building and the Hart Senate Office Building.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Architect of the Capitol shall transmit to the Committees on Transportation and Infrastructure of the House of Representatives and the Senate a report on the results of the feasibility studies and recommendations regarding construction of photovoltaic roofs for the buildings referred to in subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000.

SEC. 502. CAPITOL COMPLEX E-85 REFUELING STATION.

(a) CONSTRUCTION.—The Architect of the Capitol may construct a fuel tank and pumping system for E-85 fuel at or within close proximity to the Capitol Grounds Fuel Station.

(b) USE.—The E-85 fuel tank and pumping system shall be available for use by all legislative branch vehicles capable of operating with E-85 fuel to the extent that such other legislative branch agencies reimbursing the Architect of the Capitol for the costs of E-85 fuel used by such other legislative branch vehicles.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $640,000 for fiscal year 2008.

SEC. 503. ENERGY AND ENVIRONMENTAL MEASURES IN CAPITOL COMPLEX MASTER PLAN.

(a) IN GENERAL.—To the maximum extent practicable, the Architect of the Capitol shall include energy efficiency and conservation measures, greenhouse gas emission reduction measures, and other appropriate environmental measures in the Capitol Complex Master Plan.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Architect of the Capitol shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Rules and Administration of the Senate a report on the energy efficiency and conservation measures, greenhouse gas emission reduction measures, and other appropriate environmental measures included in the Capitol Complex Master Plan pursuant to subsection (a).

SEC. 504. PROMOTING MAXIMUM EFFICIENCY IN OPERATION OF CAPITOL POWER PLANT.

(a) STREAM LINES.—

(1) IN GENERAL.—The Architect of the Capitol shall take such steps as may be necessary to operate the steam boilers at the Capitol Power Plant in the most energy efficient manner possible to minimize carbon emissions and operating costs, including adjusting steam pressures and adjusting the operation of the boilers to account for variations in demand, including seasonality, for the use of the system.

(2) EFFECTIVE DATE.—The Architect of the Capitol shall implement the steps required under paragraph (1) not later than 30 days after the date of the enactment of this Act.

(b) CHILLER PLANT.—

(1) IN GENERAL.—The Architect of the Capitol shall take such steps as may be necessary to operate the chillers at the Capitol Power Plant in the most energy efficient manner possible to minimize carbon emissions and operating costs, including adjusting water temperatures and adjusting the operation of the chillers to take into account variations in demand, including seasonality, for the use of the system.

(2) EFFECTIVE DATE.—The Architect of the Capitol shall implement the steps required under paragraph (1) not later than 30 days after the date of the enactment of this Act.

(c) METERS.—Not later than 90 days after the date of the enactment of this Act, the Architect of the Capitol shall evaluate the accuracy of the meters in use at the Capitol Power Plant and correct them as necessary.

(d) REPORT ON IMPLEMENTATION.—Not later than 180 days after the date of the enactment of this Act, the Architect of the Capitol shall complete the implementation of the require- ments at this section and submit a report describing the actions taken and the energy efficiencies achieved to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, the Committee on House Administration of the House of Representatives, and the Committees on Rules and Administration of the Senate.

SEC. 505. CAPITOL POWER PLANT CARBON DIOXIDE EMISSIONS FEASIBILITY STUDY AND DEMONSTRATION PROJECTS.

The first section of the Act of March 4, 1911 (2 U.S.C. 2162; 36 Stat. 114, chapter 285) is hereby redesignated "Capitol Power Plant Carbon Dioxide Emission Study and Demonstration Projects."
SEC. 511. AUTHORITY TO ENTER INTO CONTRACTS.  
(a) In General.—Section 801(a)(2)(D) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)(D)) is amended—
(1) in clause (ii), by inserting “and” after the semicolon at the end;  
(2) by striking clause (iii); and  
(3) by redesignating clause (iv) as clause (iii).  
(b) REPORT.—Section 546(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)(2)) is amended by inserting “and any penalty ‘exposure’ after ‘the energy and cost savings that have resulted from such contracts’.”  
(c) CONFORMING AMENDMENT.—Section 2913 of title 10, United States Code, is amended by striking subsection (e).  
SEC. 512. FINANCING FLEXIBILITY.  
Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) is amended by adding at the end the following:  
“(E) FUNDING OPTIONS.—In carrying out a contract under this title, a Federal agency may use any combination of—  
(1) appropriated funds; and  
(2) private financing under an energy savings performance contract.”  
SEC. 513. PROMOTING LONG-TERM ENERGY SAVINGS PERFORMANCE CONTRACTS AND VERIFYING SAVINGS.  
Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) (as amended by section 512) is amended—  
(1) in subparagraph (D), by inserting “beginning on the date of the delivery order” after “25 years”; and  
(2) by adding at the end the following:  
“(F) PROMOTION OF CONTRACTS.—In carrying out this section, a Federal agency shall not—  
(i) establish a Federal agency policy that limits the maximum contract term under subparagraph (D) to a period shorter than 25 years; or  
(ii) limit the total amount of obligations under energy savings performance contracts or other private financing of energy savings measures.”  
“(G) MEASUREMENT AND VERIFICATION REQUIREMENTS FOR PRIVATE FINANCING.—  
(i) IN GENERAL.—In the case of energy savings performance contracts, the evaluations and savings measurement and verification required under paragraphs (2) and (4) of section 546 shall be used by a Federal agency to meet the requirements for the need for energy audits, calculation of energy savings, and any other costs and savings needed to implement the guarantee of savings under this section.  
(ii) MODIFICATION OF EXISTING CONTRACTS.—Not later than 18 months after the date of enactment of this subparagraph, each Federal agency shall, to the maximum extent practicable, modify any indefinite delivery and indefinite quantity energy savings performance contracts, and other indefinite delivery and indefinite quantity contracts using private financing, to conform to the amendments made by this section to title V of the Energy Independence and Security Act of 2007.”  
SEC. 514. PERMANENT REAUTHORIZATION.  
Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8257) is amended by striking subsection (c).  
SEC. 515. DEFINITION OF ENERGY SAVINGS.  
Section 801(2) of the National Energy Conservation Policy Act (42 U.S.C. 8257(2)) is amended—  
(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and  
(2) by striking “means a reduction and inserting “means”—  
“(A) a reduction;”  
(3) by striking the period at the end and inserting a semicolon; and  
(4) by adding at the end the following:  
“(B) the increased efficient use of an existing energy source by cogeneration or heat recovery;”  
“(C) if otherwise authorized by Federal or State law (including regulations), the sale or transfer of electrical or thermal energy generated on-site from renewable energy sources or cogeneration, but in excess of Federal temperature utilities or non-Federal energy users; and  
“(D) the increased efficient use of existing water sources in interior or exterior application.”  
SEC. 516. RETENTION OF SAVINGS.  
Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended by striking paragraph (3).  
SEC. 517. TRAINING FEDERAL CONTRACTING OFFICERS TO NEGOTIATE ENERGY EFFICIENCY CONTRACTS.  
(a) PROGRAM.—The Secretary shall create and administer the Federal Energy Management Program a training program to educate Federal contract negotiation and contract management personnel so that the contract officers are prepared to—  
(1) negotiate energy savings performance contracts;  
(2) conclude effective and timely contracts for energy efficiency services with all companies offering energy efficiency services; and  
(3) review Federal contracts for all products and services for the potential energy efficiency opportunities and implications of the contracts.  
(b) SCHEDULE.—Not later than 1 year after the date of enactment of this Act, the Secretary shall plan, staff, announce, and begin training under the Federal Energy Management Program.  
(c) PERSONNEL TO BE TRAINED.—Personnel appropriate to receive training under the Federal Energy Management Program shall be selected by and sent for the training from—  
(1) the Department of Defense;  
(2) the Department of Veterans Affairs;  
(3) the Department;  
(4) the General Services Administration;  
(5) the Department of Housing and Urban Development;  
(6) the United States Postal Service; and  
(7) all other Federal agencies and departments that enter contracts for buildings, building services, electricity and energy services, natural gas services, heating and air conditioning services, building fuel purchases, and other types of procurement or service contracts determined by the Secretary, in carrying out the Federal Energy Management Program, to offer the potential for energy savings and greenhouse gas emission reductions if negotiated with taking into account those goals.  
(d) TRAINERS.—Training under the Federal Energy Management Program may be conducted by—  
(1) attorneys or contract officers with experience in negotiating and managing contracts described in subsection (c)(7) from any agency, except that the Secretary shall reimburse the related salaries and expenses of the attorneys or contract officers from amounts made available for carrying out this section to the extent the attorneys or contract officers are not employees of the Department; and  
(2) private experts hired by the Secretary for the purposes of this section, except that these experts may be simultaneously employed by any company under contract to provide energy efficiency services to the Federal Government.
$750,000 for each of fiscal years 2008 through 2012.

SEC. 518. STUDY OF ENERGY AND COST SAVINGS IN NONBUILDING APPLICATIONS.

(a) DEFINITIONS.—In this section:

(1) NONBUILDING APPLICATION.—The term ‘‘nonbuilding application’’ means—

(A) any class of vehicles, devices, or equipment that are capable of operating under the power of the applicable vehicle, device, or equipment by land, sea, or air and that consumes energy from any fuel source for the purpose of—

(i) that transportation; or

(ii) maintaining a controlled environment within the vehicle, device, or equipment; and

(B) any self-powered equipment under the power of a nonbuilding application that is capable of generating electricity or transport water.

(2) SECONDARY SAVINGS.—

(A) IN GENERAL.—The term ‘‘secondary savings’’ means additional energy or cost savings that are a direct consequence of the energy savings that result from the energy efficiency improvements that were financed and implemented pursuant to an energy savings performance contract.

(B) INCLUSIONS.—The term ‘‘secondary savings’’ includes—

(i) energy and cost savings that result from a reduction in the need for fuel delivery and logistical support;

(ii) personnel cost savings and environmental benefits; and

(iii) in the case of electric generation equipment, the benefits of increased efficiency in the production of electricity, including revenues received by the Federal Government from the sale of electricity so produced.

(b) STUDY.—

(1) GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary and the Secretary of Defense shall jointly conduct, and submit to Congress and the President of the United States, a study of the potential for the use of energy savings performance contracts to reduce energy consumption and provide energy and cost savings in nonbuilding applications.

(2) REQUIREMENTS.—The study under this subsection shall include—

(A) an estimate of the potential energy and cost savings to the Federal Government, including secondary savings and benefits, from increased efficiency in nonbuilding applications;

(B) an assessment of the feasibility of extending the use of energy savings performance contracts to nonbuilding applications, including an identification of any regulatory or statutory barriers to that use; and

(C) such recommendations as the Secretary and Secretary of Defense determine to be appropriate.

Subtitle C—Energy Efficiency in Federal Agencies

SEC. 521. INSTALLATION OF PHOTOVOLTAIC SYSTEM AT DEPARTMENT OF ENERGY HEADQUARTERS BUILDING.

(a) IN GENERAL.—The Administrator of General Services shall install a photovoltaic system, as set forth in the Sun Wall Design Project, for the headquarters building of the Department located at 1000 Independence Avenue, S.W., Washington, DC, commonly known as the Forrestal Building.

(b) FUNDING.—The installation shall be available from the Federal Buildings Fund established by section 592 of title 40, United States Code, $30,000,000 to carry out this section. Such sums shall be available from amounts made available from the Federal Buildings Fund for fiscal year 2007, and prior fiscal years, for repairs and alterations and other activities, not otherwise authorized, which shall continue to be available until expended.

SEC. 522. PROHIBITION ON INCANDESCENT LAMPS BY COAST GUARD.

(a) PROHIBITION.—Except as provided by subsection (b), on and after January 1, 2009, a general service incandescent lamp shall not be purchased or installed in a Coast Guard facility by or on behalf of the Coast Guard.

(b) EXCEPTION.—A general service incandescent lamp may be purchased, installed, and used in a Coast Guard facility whenever the application of a general service incandescent lamp is—

(1) necessary due to purpose or design, including medical, security, and industrial applications;

(2) reasonable due to the architectural or historical value of a light fixture installed before January 1, 2009; and

(3) the Commandant of the Coast Guard determines that operational requirements necessitate the use of a general service incandescent lamp.

SEC. 523. STANDARD RELATING TO SOLAR HOT WATER HEATERS.

Section 305(a)(3)(A) of the Energy Conservation and Production Act (42 U.S.C. 6844(a)(3)(A)) is amended—

(1) in clause (i)(II), by striking ‘‘and’’ and inserting ‘‘and’’; and

(2) by adding at the end the following:

‘‘(iii) if lifecycle cost-effective, as compared to other reasonably available technologies, not less than 30 percent of the hot water demand for each new Federal building or Federal building undergoing a major renovation be met through the installation and use of solar hot water heaters.’’.

SEC. 524. FEDERALLY-PROCURED APPLIANCES WITH STANDBY POWER.

Section 533 of the National Energy Conservation Policy Act (42 U.S.C. 6834(a)(3)(A)) is amended—

(1) by redesignating subsection (e) as subsection (f); and

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

‘‘(e) FEDERA LLY-PROCURED APPLIANCES WITH STANDBY POWER.

‘‘(1) DEFINITION OF ELIGIBLE PRODUCT.—In this subsection, the term ‘eligible product’ means a commercially available, off-the-shelf product that—

(A) meets the following:

(i) uses external standby power devices;

(ii) contains an internal standby power function; and

(B) is included on the list compiled under paragraph (4).

‘‘(2) FEDERAL PURCHASING REQUIREMENT.—Subject to paragraph (3), if an agency purchases an eligible product, the agency shall purchase—

(A) an eligible product that uses not more than 1 watt in standby power consuming mode of the eligible product; or

(B) if an eligible product described in subparagraph (A) is not available, an eligible product with the lowest available standby power wattage in the standby power consuming mode of the eligible product.

‘‘(3) LIMITATION.—The requirements of paragraph (2) shall apply to a purchase by an agency only if—

(A) the lower-wattage eligible product is—

(i) lifecycle cost-effective; and

(ii) practicable; and

(B) the utility and performance of the eligible product is not compromised by the lower wattage.

‘‘(4) ELIGIBLE PRODUCTS.—The Secretary, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the General Services Administration and the Defense Logistics Agency shall ensure that a list is established by the amendment made by subsection (a)(2)(A) has been fully compiled with.

SEC. 525. PROCUREMENT AND ACQUISITION OF ALTERNATIVE FUELS.

No Federal agency shall enter into a contract for procurement of an alternative or synthetic fuel, including fuels produced from nonconventional petroleum sources, for any mobility-related use, other than for research or testing, unless the contract specifies that the lifecycle greenhouse gas emissions associated with the production and combustion of the fuel supplied under the contract, when compared to the equivalent conventional fuel produced from conventional petroleum sources.

SEC. 527. GOVERNMENT EFFICIENCY STATUS REPORTS.

(a) IN GENERAL.—Each Federal agency subject to any of the requirements of this title or the amendments made by this title shall compile and submit to the Director of the Office of Management and Budget an annual Government efficiency status report on compliance by the agency with each of the requirements of this title and the amendments made by this title;

(2) the status of the implementation by the agency of initiatives to improve energy efficiency, reduce energy costs, and reduce emissions of greenhouse gases; and

(3) savings to the taxpayers of the United States resulting from mandated improvements under this title and the amendments made by this title.

(b) SUBMISSION.—The report shall be submitted—

(1) to the Director at such time as the Director requires;

(2) electronic, not paper, format; and

(3) consistent with related reporting requirements.

SEC. 528.OMB GOVERNMENT EFFICIENCY REPORTS AND SCORECARDS.

(a) REPORTS.—Not later than April 1 of each year, the Director of the Office of Management and Budget shall submit an annual Government efficiency report to the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate, which shall contain—

(1) a summary of the information reported by agencies under section 527;

(2) an evaluation of the overall progress of the Federal Government toward achieving the goals of this title and the amendments made by this title; and
(3) recommendations for additional actions necessary to meet the goals of this title and the amendments made by this title.

(b) SCOPE.—The Director of the Office of Management and Budget shall include in any annual energy scorecard the Director is otherwise required to submit a description of the compliance of each agency with the requirements of this title and the amendments made by this title.

SEC. 529. ELECTRICITY SECTOR DEMAND RESPONSE.

(a) In General.—Title V of the National Energy Conservation Policy Act (42 U.S.C. 8241 et seq.) is amended by adding at the end the following:

"PART 5—PEAK DEMAND REDUCTION

SEC. 571. NATIONAL ACTION PLAN FOR DEMAND RESPONSE.

(a) NATIONAL ASSESSMENT AND REPORT.—

(1) Estimation of nationwide demand response potential in 5 and 10 year horizons, including data on a State-by-State basis, and a methodology for updates of such estimates on an annual basis.

(2) Estimation of how much of this potential can be achieved within 5 and 10 years after the enactment of this part accompanied by specific policy recommendations that if implemented can achieve the estimated potential. Such recommendations shall include options for funding and/or incentives for the development of demand response resources.

(b) The Commission shall further note any barriers to demand response programs offering flexible, non-discriminatory, and fairly compensatory terms for the services and benefits made available, and shall provide recommendations for overcoming such barriers.

(c) The Commission shall seek to take advantage of preexisting research and ongoing work, and shall ensure that there is no duplication of effort.

(b) NATIONAL ACTION PLAN ON DEMAND RESPONSE.—The Commission shall develop a National Action Plan on Demand Response, soliciting and accepting input and participation from a broad range of industry stakeholders, public utility regulatory utility commissions, and non-governmental organizations. The Commission shall seek consensus where possible, and decide on optimum solutions to issues facing the industry. Such Plan shall be completed within one year after the completion of the National Assessment of Demand Response, and shall meet each of the following objectives:

(1) Identification of requirements for technical assistance to States to allow them to maximize the amount of demand response resources that can be developed and deployed.

(2) Design and identification of requirements for implementation of a national communication and information infrastructure that includes broadband-based customer education and support.

(3) Development or identification of analytical tools, information, model regulatory programs, the underpinning of this title, and other support materials for use by customers, states, utilities and demand response providers.

(c) Upon completion, the National Action Plan on Demand Response shall be published, together with any favorable and dissenting comments submitted by participants in its preparation. Six months after publication, the Commission shall submit to Congress a proposal to implement the Action Plan, including specific proposed assignments of responsibility, proposed budget amounts, and any agreements secured for participation from State and other participants.

(d) Any funds authorized to be appropriated to the Commission to carry out this section not more than $10,000,000 for each of the fiscal years 2008, 2009, and 2010.

(b) TABLE OF CONTENTS.—The table of contents for the National Energy Conservation Policy Act (42 U.S.C. 8221 note) is amended by adding after the items relating to part 4 of title V the following:

"PART 5—PEAK DEMAND REDUCTION


Subtitle D—Energy Efficiency of Public Institutions

SEC. 531. REAUTHORIZATION OF STATE ENERGY PROGRAMS.

Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6235(f)) is amended by striking "$100,000,000 for each of the fiscal years 2006 and 2007 and $125,000,000 for fiscal year 2008" and inserting "$125,000,000 for each of fiscal years 2007 through 2012".

SEC. 532. UNITED STATES ENERGY EFFICIENCY PROGRAMS.

(a) ELECTRIC UTILITIES.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824o(d)) is amended by adding at the end the following:

"(16) INTEGRATED RESOURCE PLANNING.—Each electric utility shall—

(A) integrate energy efficiency resources into utility, State, and regional plans; and

(B) adopt policies establishing cost-effective energy efficiency as a priority resource.

(17) RATE DESIGN MODIFICATIONS TO PROMOTE ENERGY EFFICIENCY INVESTMENTS.—

(A) IN GENERAL.—The rates allowed to be charged by any electric utility shall—

(i) align utility incentives with the delivery of cost-effective energy efficiency; and

(ii) promote energy efficiency investments.

(B) POLICY OPTIONS.—In complying with subparagraph (A), each State regulatory authority and each nonregulated utility shall consider—

(i) separating fixed-cost revenue recovery from the volume of transportation or sales service provided to the customer;

(ii) providing to utilities incentives for the successful management of energy efficiency programs, such as allowing utilities to retain a portion of the cost-saving benefits accruing from the programs;

(iii) promoting the impact on adoption of energy efficiency as 1 of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives; and

(iv) adopting rate designs that encourage energy efficiency for each customer class.

For purposes of applying the provisions of this subtitle to this paragraph, any reference in this subtitle to the date of enactment of this Act shall be treated as a reference to the date of enactment of this paragraph.

(c) CONFORMING AMENDMENT.—Section 303(a) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 3283(a)) is amended by striking “and (4)” and inserting “(4), (5), and (6)”.

Subtitle E—Energy Efficiency and Conservation Block Grants

SEC. 541. DEFINITIONS.

In this subtitle:

(1) ELIGIBLE ENTITY.—The term "eligible energy means—

(A) a State;

(B) an eligible unit of local government; and

(C) an Indian tribe.

(2) ELIGIBLE UNIT OF LOCAL GOVERNMENT.—The term "eligible unit of local government" means—

(A) an eligible unit of local government—

(i) a city with a population—

(I) of at least 50,000; or

(II) that causes the city to be 1 of the 10 highest-populated cities of the State in which the city is located; and

(ii) a county with a population—

(I) of at least 200,000; or

(II) that causes the county to be 1 of the 10 highest-populated counties of the State in which the county is located.

(B) ELIGIBLE UNIT OF LOCAL GOVERNMENT—ALTERNATIVE 1.—The term "eligible unit of local government—alternative 1" means—

(i) a city with a population of at least 50,000; or

(ii) a county with a population of at least 200,000.

(4) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450h).

(5) PROGRAM.—The term "program" means the Energy Efficiency and Conservation Block Grant Program established under section 324(a).

(6) STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.
SEC. 542. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM.

(a) Establishment.—The Secretary shall establish a program, to be known as the “Energy Efficiency and Conservation Block Grant Program”, under which the Secretary shall provide grants to eligible entities in accordance with this subtitle.

(b) Purpose.—The purpose of the program shall be to assist eligible entities in implementing strategies—

(1) to reduce fossil fuel emissions created as a result of activities within the jurisdictions of eligible entities in a manner that—

(A) is environmentally sustainable; and

(B) extends beyond the entity's own jurisdiction, maximizes benefits for local and regional communities;

(2) to reduce the total energy use of the eligible entities; and

(3) to improve energy efficiency in—

(A) the transportation sector;

(B) the building sector; and

(C) other appropriate sectors.

SEC. 543. ALLOCATION OF FUNDS.

(a) In General.—Of amounts made available to provide grants under this subtitle for each fiscal year, the Secretary shall allocate—

(1) 68 percent to eligible units of local government in accordance with subsection (b); (2) 28 percent to States in accordance with subsection (c); and

(3) 4 percent for competitive grants under section 546.

(b) Eligible Units of Local Government.—Of amounts available for distribution to eligible units of local government under this section based on a formula established by the Secretary according to—

(1) the population of each State; and

(2) the remainder among the States, based on—

(A) the daytime populations of the eligible entity of local government, according to the latest available decennial census; and

(b) the daytime populations of the eligible units of local government and other similar factors (such as square footage of commercial, office, and industrial space), as determined by the Secretary.

(c) States.—Of amounts available for distribution to States under subsection (a)(2), the Secretary shall provide—

(1) not less than 1.25 percent to each State; and

(2) the remainder among the States, based on a formula established by the Secretary that takes into account—

(A) the population of each State; and

(B) any other criteria that the Secretary determines to be appropriate.

(d) Indian Tribes.—Of amounts available for distribution to Indian tribes under subsection (a)(3), the Secretary shall establish a formula, based on the amounts to Indian tribes, taking into account any factors that the Secretary determines to be appropriate.

(e) Publication of Allocation Formulas.—Not later than 90 days before the beginning of each fiscal year for which grants are provided under this subtitle, the Secretary shall publish in the Federal Register the formulas for allocation established under this section.

(f) State and Local Advisory Committee.—The Secretary shall establish a State and local advisory committee to advise the Secretary regarding administration, implementation, and evaluation of the program.

SEC. 544. USE OF FUNDS.

An eligible entity may use a grant received under this subtitle to carry out activities to achieve the purposes of the program, including—

(1) development and implementation of an energy efficiency and conservation strategy under section 545(b); (2) retaining technical consultant services to assist the eligible entity in the development of such a strategy, including—

(A) formulation of energy efficiency, energy conservation, and energy usage goals; (B) identification of strategies to achieve those goals—

(i) through efforts to increase energy efficiency and reduce energy consumption; and

(ii) by encouraging behavioral changes among the population served by the eligible entity;

(C) development of methods to measure progress in achieving the goals of the strategy; (D) development and publication of annual reports to the population served by the eligible entity describing—

(i) the strategies and goals; and

(ii) the progress made in achieving the strategies and goals during the preceding calendar year; and

(E) other services to assist in the implementation of the energy efficiency and conservation strategy;

(3) conducting residential and commercial building energy audits;

(4) establishing, by the Secretary, of financial incentive programs for energy efficiency improvements;

(5) the provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits;

(6) development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the eligible entity, including—

(A) design and operation of the programs;

(B) identifying the most effective methods for achieving maximum participation and efficiency rates;

(C) public education;

(D) measurement and verification protocols; and

(E) identification of energy efficient technologies;

(7) development and implementation of programs to conserve energy used in transportation, including—

(A) use of flex time by employers;

(B) satellite work centers;

(C) development and promotion of zoning guidelines or requirements that promote energy efficient development and operation of the programs;

(D) development of infrastructure, such as bike lanes and pathways and pedestrian walkways;

(E) synchronization of traffic signals; and

(F) other measures that increase energy efficiency and decrease energy consumption;

(8) development and implementation of building of local government or Indian tribe to—

(A) reduce, recycle, and reuse materials; (B) promote participation and efficiency rates for material conservation programs, including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency;

(9) application and implementation of energy distribution technologies that significantly increase energy efficiency, including—

(A) distributed resources; and

(B) district heating and cooling systems;

(10) any other technology, strategy, initiative, program, or activity that might have a significant impact on reducing energy consumption; and

(11) the purchase and implementation of technologies to reduce, capture, and, to the maximum extent practicable, use methane, and other greenhouse gases generated by landfills or similar sources; (12) replacement of traffic signals and street lighting with energy efficient lighting technologies, including—

(A) light emitting diodes; and

(B) any other technology of equal or greater energy efficiency; (13) development, implementation, and installation on or in any government building of renewable energy technologies that generate electricity from renewable resources, including—

(A) solar energy; (B) wind energy; (C) fuel cells; and

(D) biomass; and

(14) any other appropriate activity, as determined by the Secretary, in consultation with—

(A) the Administrator of the Environmental Protection Agency; (B) the Secretary of Transportation; and

(C) the Secretary of Housing and Urban Development.

SEC. 545. REQUIREMENTS FOR ELIGIBLE ENTITIES.

(a) Construction Requirement.—

(1) In General.—To be eligible to receive a grant under this subtitle, an eligible unit of local government or Indian tribe shall—

(A) prepare a written proposal to support a grant under this subtitle; and

(B) notify the Secretary of the written proposal.

(b) Eligible Units of Local Government and Indian Tribes.—

(1) Proposed Strategy.—

(A) In General.—Not later than 1 year after the date on which an eligible unit of local government or Indian tribe submits a grant under this subtitle, the eligible unit of local government or Indian tribe shall submit to the Secretary a proposed energy efficiency and conservation strategy in accordance with this paragraph.

(B) Inclusion.—The proposed strategy under subparagraph (A) shall include—

(i) a description of the eligible unit of local government or Indian tribe; and

(ii) a plan for the use of the grant to assist the eligible unit of local government or Indian tribe in achieving those goals, in accordance with section 544.

(C) Requirements for Eligible Units of Local Government.—The Secretary shall establish requirements for the strategy under subparagraph (A), an eligible unit of local government shall—

(i) take into account any plans for the use of funds by adjacent eligible units of local governments that receive grants under the program; and

(ii) coordinate and share information with the States in which the eligible unit of local government is located regarding activities carried out using the grant to maximize the energy efficiency and conservation benefits under this subtitle.

(2) Approval by Secretary.—

(A) In General.—The Secretary shall approve or disapprove a proposed strategy under paragraph (1) within not more than 120 days after the date of submission of the proposed strategy.
(B) DISAPPROVAL.—If the Secretary disapproves a proposed strategy under subparagraph (A)—

(1) the Secretary shall provide to the eligible unit of local government or Indian tribe the reasons for the disapproval; and

(ii) the eligible unit of local government or Indian tribe may revise and resubmit the proposed strategy as many times as necessary until the Secretary approves a proposed strategy.

(C) REQUIREMENT.—The Secretary shall not provide a grant to an eligible unit of local government or Indian tribe until the Secretary approves the proposed strategy.

(2) R EVISION OF CONSERVATION PLAN ; PROPOSED STRATEGY.

(A) IN GENERAL.—The Secretary shall provide to the State the reasons for the disapproval; and

(ii) the State may revise and resubmit the proposed strategy as many times as necessary until the Secretary approves a proposed strategy.

(C) REQUIREMENT.—The Secretary shall not provide to a State any grant under the program until a proposed strategy of the State is approved by the Secretary under this paragraph.

(4) LIMITATIONS ON USE OF FUNDS.—Of the amounts provided under the program for the provision of subgrants to non-governmental organizations for the purpose of assisting in the implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe, an amount equal to—

(i) 20 percent; and

(ii) $75,000;

(B) for the establishment of revolving loan funds, an amount equal to the greater of—

(i) 20 percent; and

(ii) $250,000; and

(C) for the provision of subgrants to non-governmental organizations for the purpose of assessing the development and implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe, an amount equal to the greater of—

(i) 10 percent; and

(ii) $250,000.

(4) ANNUAL REPORT.—Not later than 2 years after the date on which funds are initially provided to an eligible unit of local government or Indian tribe under the program, and annually thereafter, the eligible unit of local government or Indian tribe shall submit to the Secretary a report describing—

(A) the status of development and implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe; and

(B) as practicable, an assessment of energy efficiency gains achieved and extended within the jurisdiction of the eligible unit of local government or Indian tribe.

(A) the Secretary shall provide to the eligible unit of local government or Indian tribe any grant under the program until a proposed strategy of the eligible unit of local government or Indian tribe is approved by the Secretary under this paragraph.

(2) LIMITATIONS ON USE OF FUNDS.—Of the total amount made available for each fiscal year to carry out this subtitle, the Secretary shall use not less than 2 percent to provide grants under this section, on a competitive basis, to—

(B) for the establishment of revolving loan funds, an amount equal to—

(i) 20 percent; and

(ii) $100,000.

(4) ANNUAL REPORT.—Not later than 2 years after the date on which funds are initially provided to an eligible unit of local government or Indian tribe under the program, and annually thereafter, the eligible unit of local government or Indian tribe shall submit to the Secretary an annual report that describes—

(A) the status of development and implementation of the energy efficiency and conservation strategy of the State during the preceding calendar year;

(B) the status of the subgrant program of the State under paragraph (1); and

(C) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year.

(5) A NNUAL REPORTS .

(A) IN GENERAL.—Of the total amount made available for each fiscal year to carry out this subtitle, the Secretary shall provide to the Secretary a report describing—

(A) the status of development and implementation of the energy efficiency and conservation strategy of the State under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6212), the status of development and implementation of the energy efficiency and conservation strategy of the State under paragraph (1); and

(B) the status of the subgrant program of the State under paragraph (1); and

(C) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State for subsequent calendar years.

(6) COMPETITIVE GRANTS .

(A) IN GENERAL.—Of the amount made available for each fiscal year to carry out this subsection, the Secretary shall provide not less than 10 percent of amounts provided under this program for administrative expenses.

(5) ANNUAL REPORTS .

(A) IN GENERAL.—Each State that receives a grant shall provide a report to the Secretary an annual report that describes—

(i) the status of development and implementation of the energy efficiency and conservation strategy of the State during the preceding calendar year;

(ii) the status of the subgrant program of the State under paragraph (1); and

(iii) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year.

(B) DEADLINE.

Not later than 2 years after the date of enactment of this Act, each of fiscal years 2008 through 2012; provided that 49 percent of the appropriated funds shall be distributed using the definition of eligible unit of local government—alternative 1 in section 541(3)(A) and 49 percent of the appropriated funds shall be distributed using the definition of eligible unit of local government—alternative 2 in section 541(3)(B).

(2) ADMINISTRATIVE COSTS.—There are authorized to be appropriated for the Secretary for administrative expenses of the program—

(A) $20,000,000 for each of fiscal years 2008 and 2009;

(B) $25,000,000 for each of fiscal years 2010 and 2011; and

(C) $30,000,000 for fiscal year 2012.

(3) M AINTENANCE OF FUNDING.—The funding provided under this section shall supplement (and not supplant) other Federal funding provided under—

(1) a State energy conservation plan established under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6221 et seq.); or

(2) the Weatherization Assistance Program for Low-Income Persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 8661 et seq.).

TITLE VI—ACCELERATED RESEARCH AND DEVELOPMENT

Subtitle A—Solar Energy

SEC. 601. SHORT TITLE.

This subtitle may be cited as the “Solar Energy Research and Advancement Act of 2007”.

SEC. 602. THERMAL ENERGY STORAGE RESEARCH AND DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a program of research and development to provide lower cost and more viable thermal energy storage technologies to enable the shifting of electric power loads on electric power systems, extending the operating time of concentrating solar power electric generating plants.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $5,000,000 for fiscal year 2008, $7,000,000 for fiscal year 2009, $9,000,000 for fiscal year 2010, $10,000,000 for fiscal year 2011, and $12,000,000 for fiscal year 2012.

SEC. 603. CONCENTRATING SOLAR POWER COMMERCIAL APPLICATION STUDIES.

(a) INTEGRATION.—The Secretary shall conduct a study on methods to integrate concentrating solar power and utility-scale photovoltaic systems into electricity transmission systems, and to identify new transmission or transmission upgrades needed to bring electricity from high concentrating solar power resource areas to growing electric power load centers throughout the United States. The study shall analyze and assess cost-effective approaches for managing and large-scale integration of concentrating solar power and utility-scale photovoltaic systems into regional electric transmission grids to improve electric reliability, to efficiently store and to reduce demand on the natural gas transmission system for electric power. The Secretary shall submit a report to Congress on the findings of this study not later than 12 months after the date of enactment of this Act.
(b) WATER CONSUMPTION.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Energy shall transmit to Congress a report on the results of a study on methods to reduce the amount of water consumed by concentrating solar power systems.

SEC. 604. SOLAR ENERGY CURRICULUM DEVELOPMENT AND CERTIFICATION GRANTS.

(a) ESTABLISHMENT.—The Secretary shall establish a program of grants to create and strengthen solar industry workforce training and internship programs in installation, maintenance, and commercial applications.

(b) AUTHORIZED ACTIVITIES.—Grants may be used to support the following activities:

(1) Creation and development of a solar energy curriculum appropriate for the local educational, entrepreneurial, and environmental conditions, including curriculum for community colleges.

(2) Support of certification programs for individual solar energy system installers, technicians, and trainers.

(3) Internship programs that provide hands-on participation by students in commercial applications.

(4) Activities as are deemed necessary to provide training programs and facilities by an industry-accepted quality-control certification program.

(5) Research and development into solar-specific learning modules into traditional occupational training and internship programs for construction-related trades.

(6) The purchase of equipment necessary to carry out activities under this section.

(7) Support of programs that provide guidance and updates to solar energy curriculum instructors.

(8) ADMINISTRATION OF GRANTS.—Grants may be awarded under this section for up to 3 years. The Secretary shall award grants to ensure sufficient geographic distribution of training programs nationally. Grants shall only be awarded for programs certified by an industry-accepted quality-control certification institution, or for new and growing programs with a credible path to certification.

(f) AUTHORIZATION OF APPROPRIATIONS.—Grants made available under this section may be used to support the following activities:

(1) Advancing solar thermal collectors, including concentrating solar thermal and electric systems, flat plate and evacuated tube collector performance.

(2) Achieving technical and economic integration of solar-powered distributed air-conditioning systems with existing hot water and storage systems for residential applications.

(3) Designing and demonstrating mass manufacturing capability to reduce costs of modular standardized solar-powered distributed air-conditioning systems and components.

(4) Improving the efficiency of solar-powered distributed air-conditioning to increase the effectiveness of solar-powered absorption chillers, solar-thermal driven compression, and condensers, and cost-effective precooling approaches.

(5) Researching and comparing performance of solar-powered distributed air-conditioning systems in different regions of the country, including potential integration with other onsite systems, such as solar, biogas, geothermal, and geopumps, and programs to assist or combined propane fuel cells, with a goal to develop site-specific energy production and management systems that ease fuel and peak utility loading.

(6) COST SHARING.—Section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to a project carried out under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $5,000,000 for each of the fiscal years 2008 through 2012.

SEC. 605. DAYLIGHTING SYSTEMS AND DIRECT SOLAR LIGHT PIPE TECHNOLOGY.

(a) ESTABLISHMENT.—The Secretary shall establish a research, development, and demonstration program to promote less costly and more reliable decentralized distributed solar-powered air conditioning to increase the effective use of the sunlight into another form of energy; and

(b) AUTHORIZED ACTIVITIES.—Grants made available under this section may be used to support the following activities:

(1) Direct solar renewable energy devices to provide assistance in the demonstration of technologies a competitive grant program to create and strengthen solar industry workforce training and internship programs in installation, maintenance, and commercial applications.

SEC. 606. SOLAR AIR CONDITIONING RESEARCH AND DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a program of grants to States to demonstrate, to the satisfaction of the Secretary, that it complied with the requirements of subsection (f) in carrying out the program during that preceding year, and that it will do so in the future, before it can receive any further funding under this section.

(c) COMPETITION.—The Secretary shall award grants on a competitive basis to the States with the proposals the Secretary determines are likely to ensure the widespread adoption of photovoltaic technologies. The Secretary shall take into consideration the geographic distribution of average annual insolation levels.

(d) PROPOSALS.—Not later than 6 months after the date of enactment of this Act, and in each subsequent fiscal year for the life of the program, the Secretary shall solicit proposals from the States to participate in the program under this section.

(e) DEFINITIONS.—For purposes of this section—

(1) the term ‘‘direct solar renewable energy’’ means energy from a device that converts sunlight within a building, tunnel, or other enclosed structure, replacing artificial light generated by a light fixture and doing so without the conversion of the sunlight into another form of energy; and

(2) the term ‘‘light pipe’’ means a device designed to transport visible solar radiation from its collection in an exterior of a building while excluding interior heat gain in the nonheating season.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $3,500,000 for each of the fiscal years 2008 through 2012.

SEC. 607. PHOTOVOLTAIC DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a research, development, and demonstration program to promote less costly and more reliable decentralized distributed solar-powered air conditioning to increase the effective use of the sunlight into another form of energy; and

(b) AUTHORIZED ACTIVITIES.—Grants made available under this section may be used to support the following activities:

(1) Advancing solar thermal collectors, including concentrating solar thermal and electric systems, flat plate and evacuated tube collector performance.

(2) Achieving technical and economic integration of solar-powered distributed air-conditioning systems with existing hot water and storage systems for residential applications.

(3) Designing and demonstrating mass manufacturing capability to reduce costs of modular standardized solar-powered distributed air-conditioning systems and components.

(4) Improving the efficiency of solar-powered distributed air-conditioning to increase the effectiveness of solar-powered absorption chillers, solar-thermal driven compression, and condensers, and cost-effective precooling approaches.

(5) Researching and comparing performance of solar-powered distributed air-conditioning systems in different regions of the country, including potential integration with other onsite systems, such as solar, biogas, geothermal, and geopumps, and programs to assist or combined propane fuel cells, with a goal to develop site-specific energy production and management systems that ease fuel and peak utility loading.

(6) COST SHARING.—Section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to a project carried out under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $2,500,000 for each of the fiscal years 2008 through 2012.

SEC. 608. SOLAR POWERED DISTRIBUTED AIR CONDITIONING SYSTEMS.

(a) ESTABLISHMENT.—The Secretary shall establish a program of grants to States to demonstrate, to the satisfaction of the Secretary, that the State will meet the requirements of subsection (f).

(b) AUTHORIZED ACTIVITIES.—Grants made available under this section may be used to support the following activities:

(1) Direct solar renewable energy devices to provide assistance in the demonstration of technologies a competitive grant program to create and strengthen solar industry workforce training and internship programs in installation, maintenance, and commercial applications.

(c) DEFINITIONS.—For purposes of this section—

(1) the term ‘‘direct solar renewable energy’’ means energy from a device that converts sunlight within a building, tunnel, or other enclosed structure, replacing artificial light generated by a light fixture and doing so without the conversion of the sunlight into another form of energy; and

(2) the term ‘‘light pipe’’ means a device designed to transport visible solar radiation from its collection in an exterior of a building while excluding interior heat gain in the nonheating season.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $3,500,000 for each of the fiscal years 2008 through 2012.

SEC. 609. SOLAR POWERED DISTRIBUTED AIR CONDITIONING SYSTEMS.

(a) ESTABLISHMENT.—The Secretary shall establish a program of grants to States to demonstrate, to the satisfaction of the Secretary, that it complied with the requirements of subsection (f) in carrying out the program during that preceding year, and that it will do so in the future, before it can receive any further funding under this section.

(c) COMPETITION.—The Secretary shall award grants on a competitive basis to the States with the proposals the Secretary determines are likely to ensure the widespread adoption of photovoltaic technologies. The Secretary shall take into consideration the geographic distribution of average annual insolation levels.

(d) PROPOSALS.—Not later than 6 months after the date of enactment of this Act, and in each subsequent fiscal year for the life of the program, the Secretary shall solicit proposals from the States to participate in the program under this section.

(e) DEFINITIONS.—For purposes of this section—

(1) the term ‘‘direct solar renewable energy’’ means energy from a device that converts sunlight within a building, tunnel, or other enclosed structure, replacing artificial light generated by a light fixture and doing so without the conversion of the sunlight into another form of energy; and

(2) the term ‘‘light pipe’’ means a device designed to transport visible solar radiation from its collection in an exterior of a building while excluding interior heat gain in the nonheating season.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $3,500,000 for each of the fiscal years 2008 through 2012.

SEC. 610. COMPLIANCE WITH REQUIREMENTS.—If a State has received funding under this section for the preceding year, the State must demonstrate, to the satisfaction of the Secretary, that it complied with the requirements of subsection (f) in carrying out the program during that preceding year, and that it will do so in the future, before it can receive any further funding under this section.

SEC. 611. AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $15,000,000 for fiscal year 2008;
SEC. 611. SHORT TITLE.

This subtitle may be cited as the “Advanced Geothermal Energy Research and Development Act of 2007”.

SEC. 612. DEFINITIONS.

For purposes of this subtitle:

(1) ENGINEERED.—When referring to enhanced geothermal systems, the term “engineered” means such systems that are engineered, as opposed to occurring naturally.

(2) HYDROTHERMAL.—The term “hydothermal” refers to naturally occurring subsurface reservoirs of hot water or steam.

(a) IN GENERAL.—The Secretary shall support a program of research, development, demonstration, and commercial application of components and systems capable of withholding extreme geothermal environments and necessary to cost-effectively develop, produce, and monitor geothermal reservoirs and produce geothermal energy. These components and systems shall include advanced casing systems (expansible tubular casing, low-clearance casing designs, and others), high-temperature submersible pumps, high-temperature cement, and high-temperature submersible pumps, as well as technologies for stress-related effects in stimulated hydothermal and enhanced geothermal systems and reservoir monitoring.

(b) RESERVOIR PERFORMANCE MODELING.—The Secretary shall support a program of research, development, demonstration, and commercial application of models of geothermal reservoir engineering and stimulation, including the effects of groundwater, and local hydrology; and

(c) ENVIRONMENTAL IMPACTS.—The Secretary shall—

(i) support a program of research, development, demonstration, and commercial application of technologies and practices designed to mitigate or preclude potential adverse environmental impacts of geothermal energy development, production, and use, and seek to ensure that geothermal energy development is consistent with the highest practicable standards of environmental stewardship;

(ii) support a program under section 615(b) of the Assistant Administrator for Research and Development at the Environmental Protection Agency, support a research program to identify potential environmental impacts of geothermal energy development, production, and use, and ensure that the program described in clause (i) addresses such impacts, including effects on groundwater and local hydrology; and

(iii) support a program of research to compare the potential environmental impacts identified as part of the development, production, and use of geothermal energy with the potential emission reductions of greenhouse gases gained by geothermal energy development, production, and use.

(b) GEOTHERMAL ENERGY PRODUCTION FROM OIL AND GAS FIELDS AND RECOVERY OF OIL AND GAS RESOURCES.

SEC. 615. ENHANCED GEOTHERMAL SYSTEMS RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary shall support a program of research, development, demonstration, and commercial application for enhanced geothermal systems, including the programs described in subsection (b).

(b) PROGRAMS.—

(1) ENHANCED OROTHERMAL SYSTEMS TECHNOLOGIES.—The Secretary shall support a program of research, development, demonstration, and commercial application of the technologies and knowledge necessary for the advancement to a state of commercial readiness, including advances in—

(A) reservoir stimulation; 

(B) reservoir characterization, monitoring, and modeling; 

(C) stress mapping; 

(D) tracer development; 

(E) three-dimensional geophysical surveys; and 

(F) understanding seismic effects of reservoir engineering and stimulation.

(2) ENHANCED HYDROTHERMAL SYSTEMS RESERVOIR STIMULATION TECHNOLOGIES.—(A) PROGRAM.—In collaboration with industry partners, the Secretary shall support a program of research, development, and demonstration of enhanced geothermal systems reservoir stimulation technologies and techniques. A minimum of 4 sites shall be selected from the locations identified to be pursued, simultaneously and independently, in collaboration with industry partners, to address the identification of advanced technologies and techniques of siting and exploratory drilling for undiscovered resources in a variety of geologic settings. The program shall include incentives to encourage the use of advanced technologies and techniques.
(6) operation for a minimum of one year and monitoring for the duration of the demonstration; and
(7) validation of technical and economic assumptions and documentation of lessons learned.

(d) Geopressured Gas Resource Recovery and Production.—(1) The Secretary shall conduct a program to support research, development, demonstration, and commercial application of cost-effective techniques to produce energy from geopressured resources.

(2) The Secretary shall solicit preliminary engineering designs for geopressured resource recovery facilities.

(3) Based upon a review of the preliminary designs, the Secretary shall award grants, which may be cost-shared, to support the detailed engineering, construction, and completion of engineering, architectural and technical plans needed to support construction of new designs.

(4) Based upon a review of the final design plans above, the Secretary shall award cost-shared development and construction grants for demonstration geopressured production facilities that show potential for economic recovery of the heat, kinetic energy and gas resources from geopressured resources.

(e) GRANT SELECTION.—Not less than 90 days after the date of the enactment of this Act, the Secretary shall conduct a national solicitation for applications for grants under the programs outlined in subsection (a) and (d). Grant recipients shall be selected on a competitive basis based on criteria in the respective subsections.

(f) Well Drilling.—No funds may be used under this section for the purpose of drilling new wells.

SEC. 617. COST SHARING AND PROPOSAL EVALUATION.

(a) Federal Share.—The Federal share of costs of projects funded under this subtitle shall be in accordance with section 986 of the Energy Policy Act of 2005.

(b) Organization and Administration of Programs.—Programs under this subtitle shall incorporate the following elements:

(1) The Secretary shall coordinate with, and where appropriate may provide funds in furtherance of the purposes of this subtitle to, other Department of Energy research and development programs focused on drilling, subsurface characterization, and other related technologies.

(2) In evaluating proposals, the Secretary shall give priority to proposals that demonstrate clear evidence of employing a systems approach.

(3) The Secretary shall coordinate and consult with the appropriate Federal land management agencies in selecting proposals for funding under this subtitle.

(4) Nothing in this subtitle shall be construed to alter or affect any law relating to the management or protection of Federal lands.

SEC. 618. CENTER FOR GEOTHERMAL TECHNOLOGY TRANSFER.

(a) In General.—The Secretary shall award to an institution of higher education (or consortium thereof) a grant to establish a Center for Geothermal Technology Transfer (referred to in this section as the “Center”).

(b) Duties.—The Center shall—

(1) serve as an information clearinghouse for the geothermal industry by collecting and disseminating information on best practices in all areas relating to developing and utilizing geothermal resources;

(2) make data collected by the Center available to the public; and

(3) seek opportunities to coordinate efforts and share information with domestic and international partners engaged in research and development of geothermal systems and related technologies.

(c) Selection Criteria.—In awarding the grant, the Secretary shall select an institution of higher education (or consortium thereof) best suited to provide national leadership on geothermal resources and development and to undertake the projects enumerated under subsection (b).

(d) Duration of Grant.—A grant made under subsection (a)—

(1) shall be for an initial period of 5 years; and

(2) may be renewed for additional 5-year periods on the basis of satisfactory performance in meeting the duties outlined in subsection (b); and

(b) any other requirements specified by the Secretary.

SEC. 619. GEOPowering America.

The Secretary shall expand the Department of Energy’s Geopowering the West program to extend its geothermal technology development, shared development and construction grants above, the Secretary shall award cost-shared engineering designs for geopressured resource recovery facilities.

SEC. 621. REPORTS.

(a) Reports of Advanced Uses of Geothermal Energy.—Not later than 3 years and 5 years after the date of enactment of this Act, the Secretary shall report to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on advanced concepts and technologies to maximize the geothermal resource potential of the United States. The reports shall include—

(1) the use of carbon dioxide as an alternative geofluid with potential carbon sequestration benefit;

(2) mineral recovery from geofluids;

(3) use of geothermal energy to produce hydrogen;

(4) use of geothermal energy to produce biofuels;

(5) use of geothermal heat for oil recovery from oil shales and tar sands; and

(6) other advanced geothermal technologies, including advanced drilling technologies and advanced power conversion technologies.

(b) Progress Reports.—(1) Not later than 36 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an interim report describing the progress made under this subtitle. At the end of 60 months, the Secretary shall submit to Congress a report on the results of projects undertaken under this subtitle and other such information the Secretary considers appropriate.

(2) As necessary, the Secretary shall report to the Congress on any legal, regulatory, or administrative barrier to geothermal energy development.

SEC. 622. APPlicability of Other Laws.

Nothing in this subtitle shall be construed as modifying, amending, or superseding the applicability of any requirement under any environmental or other Federal or State law. To the extent that activities authorized in this subtitle take place in coastal and other Federal areas, the Secretary shall consult with the Secretary of Commerce, acting through the Under Secretary of Commerce for Oceans and Atmosphere, regarding the potential marine environmental impacts and measures to address such impacts.


There are authorized to be appropriated to the Secretary to carry out this subtitle $90,000,000 for each of the fiscal years 2008 through 2012, of which $10,000,000 for each fiscal year shall be for carrying out section 616. There are also authorized to be appropriated to the Secretary for the Intermountain West Geothermal Consortium $5,000,000 for each of the fiscal years 2008 through 2012.


(a) In General.—The Secretary of Energy, in coordination with other appropriate Federal and multilateral agencies (including the United States Agency for International Development) shall support international collaborative efforts to promote the research, development, and deployment of geothermal technologies used to develop hydrothermal and enhanced geothermal systems in resources, including as partners (as appropriate) the African Rift Geothermal Development Facility, Australia, China, France, the Republic of Iceland, India, Japan, and the United Kingdom.

(b) United States Trade and Development Agency.—The Director of the United States Trade and Development Agency may—

(1) encourage participation by United States firms in actions taken to carry out subsection (a); and

(2) provide grants and other financial support for feasibility and resource assessment studies conducted in, or intended to benefit, less developed countries.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for each of the fiscal years 2008 through 2012 $30,000,000 for each of the fiscal years 2008 through 2012.

SEC. 625. High Cost Region Geothermal Energy Grant Program.

(a) Definitions.—

(1) Eligible Entity.—The term “eligible entity” means—

(A) a utility;

(B) an electric cooperative;

(C) a State;

(D) a political subdivision of a State;

(E) an Indian tribe; or

(F) a Native corporation.

(2) High-Cost Region.—The term “high-cost region” means a region in which the average cost of electrical power exceeds 150 percent of the national average retail cost, as determined by the Secretary.

(b) Program.—The Secretary shall use amounts made available to carry out this section to make grants to eligible entities for activities described in subsection (c).

(c) Eligible Activities.—An eligible entity may use funds made available under this section, with respect to a geothermal energy project in a high-cost region, only—

(1) to conduct a feasibility study, including a geophysical exploration project, a geophysical survey, and baseline environmental studies, to provide data and information that may be relied upon to further economic development of geothermal systems, and to enhance economic development of geothermal systems, and to enhance economic development of geothermal systems; and

(2) to design and engineering costs, relating to the project; and
(3) to demonstrate and promote commercial application of technologies related to geothermal energy as part of the project.

(b) Cost Sharing.—The cost-sharing requirements of subsection (b) of section 866 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to any project carried out under this section.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Subtitle C—Marine and Hydrokinetic Renewable Energy Technologies

SEC. 631. SHORT TITLE.

This subtitle may be cited as the “Marine and Hydrokinetic Renewable Energy Research and Development Act”.

SEC. 632. DEFINITION.

For purposes of this subtitle, the term “marine and hydrokinetic renewable energy” means electrical energy from—

(1) waves, tides, and currents in oceans, estuaries, and tidal areas;

(2) free flowing water in rivers, lakes, and streams;

(3) differentials in ocean temperature (ocean thermal energy conversion).

The term “marine and hydrokinetic renewable energy” does not include energy from any source that uses a dam, diversions, infrastructure structure, or impoundment for electric power purposes.

SEC. 633. MARINE AND HYDROKINETIC RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior and the Secretary of Commerce, acting through the Under Secretary of Commerce for Oceans and Atmosphere, shall establish a program of research, development, demonstration, and commercial application to expand marine and hydrokinetic renewable energy production, including programs to—

(1) study and compare existing marine and hydrokinetic renewable energy technologies;

(2) research, develop, and demonstrate marine and hydrokinetic renewable energy systems and technologies;

(3) reduce the manufacturing and operation costs of marine and hydrokinetic renewable energy technologies;

(4) investigate efficient and reliable integration with the utility grid and intermittency issues;

(5) advance wave forecasting technologies;

(6) conduct experimental and numerical modeling for optimization of marine energy conversion devices and arrays;

(7) identify potential barriers to the reliability and survivability of marine and hydrokinetic renewable energy technologies, including development of corrosive-resistant materials;

(8) coordinate programs with the Secretary of Commerce, acting through the Under Secretary of Commerce for Oceans and Atmosphere, and other Federal agencies as appropriate, and in coordination with the potential environmental impacts, including potential impacts on fisheries and other marine resources, of marine and hydrokinetic renewable energy technologies, measures to prevent adverse impacts, and technologies and other means available for monitoring and determining environmental impacts;

(b) IDENTIFICATION.—In consultation with the Secretary of Commerce, acting through the Commandant of the United States Coast Guard, the Secretary shall:

(1) develop identification standards for marine and hydrokinetic renewable energy devices;

(2) address standards development, demonstration, and commercial application for advanced systems engineering and system integration methods to identify critical interfaces;

(3) identify opportunities for cross fertilization and development of economies of scale between other renewable sources and marine and hydrokinetic renewable energy sources; and

(4) providing public information and opportunity for public comment concerning all technologies.

(12) address standards development, demonstration, and commercial application to historically black colleges and universities.

The Secretary shall provide to the Congress a report that addresses—

(1) the potential environmental impacts, including impacts to fisheries and marine resources, of marine and hydrokinetic renewable energy technologies;

(2) options to prevent adverse environmental impacts;

(3) the potential role of monitoring and adaptive management in identifying and addressing any adverse environmental impacts; and

(4) the necessary components of such an adaptive management program.

SEC. 634. NATIONAL MARINE RENEWABLE ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION CENTERS.

(a) CENTERS.—The Secretary shall award grants to institutions of higher education (or consortia thereof) for the establishment of 1 or more National Marine Renewable Energy Research, Development, and Demonstration Centers. In selecting locations for Centers, the Secretary shall consider sites that meet one of the following criteria:

(1) Hosts an existing marine renewable energy research and development program in coordination with an engineering program at an institution of higher education.

(2) Has proven expertise to support environmental and policy-related issues associated with harnessing of energy in the marine environment.

(3) Has access to and utilizes the marine resources in the Gulf of Mexico, the Atlantic Ocean, or the Pacific Ocean.

(4) Establishes a special category for historically black colleges and universities with the Secretary, which includes an institution of higher education that is or establishes a relationship with an institution of higher education that is historically black.

(5) May include a large marine renewable energy demonstration project in which the marine renewable energy system is integrated into an adjacent offshore energy production system.

(6)spinning reserve services.

(8) SPINNING RESERVE SERVICES.—The term “spinning reserve services” means a quantity of electric generating capacity in excess of the quantity needed to meet peak electric demand.

(9) ULTRACAPACITOR.—The term “ultracapacitor” means an energy storage device that has a power density comparable to a conventional capacitor but is capable of exceeding the energy density of a conventional capacitor by several orders of magnitude.

(10) PROGRAM.—The Secretary shall carry out a research, development, and demonstration program to support the ability of the United States to remain globally competitive in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(2) COMPRESSED AIR ENERGY STORAGE.—The term “compressed air energy storage” means, in the case of an electricity grid application, the storage of energy through the compression of air.

(4) ELECTRIC DRIVE VEHICLE.—The term “electric drive vehicle” means—

(A) a vehicle that uses an electric motor for all or part of the motive power of the vehicle, including battery electric, plug-in electric hybrid electric, fuel cell, and plug-in fuel cell vehicles and rail transportation vehicles; or

(B) mobile equipment that uses an electric motor to replace an internal combustion engine for all or part of the work of the equipment.

(4) ISLANDING.—The term “islanding” means a distributed generator or energy storage device continuing to provide a load in the absence of electric power from the primary source.

(5) FLYWHEEL.—The term “flywheel” means, in the case of an electric grid application, a device used to store rotational kinetic energy.

(6) MICROGRID.—The term “microgrid” means an integrated energy system containing interconnected distributed energy resources (including generators and energy storage devices), which as an integrated system can operate in parallel with the utility grid or in an intentional islanding mode.

(7) SELF-HEALING GRID.—The term “self-healing grid” means a grid that is capable of automatically anticipating and responding to power system disturbances (including the isolation of failed sections and components), while optimizing the performance and service provided to customers.

(8) SPINNING RESERVE SERVICES.—The term “spinning reserve services” means a quantity of electric generating capacity in excess of the quantity needed to meet peak electric demand.

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(A) a vehicle that uses an electric motor for all or part of the motive power of the vehicle, including battery electric, plug-in electric hybrid electric, fuel cell, and plug-in fuel cell vehicles and rail transportation vehicles; or

(B) mobile equipment that uses an electric motor to replace an internal combustion engine for all or part of the work of the equipment.

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(2) COMPRESSED AIR ENERGY STORAGE.—The term “compressed air energy storage” means, in the case of an electricity grid application, the storage of energy through the compression of air.

(4) ELECTRIC DRIVE VEHICLE.—The term “electric drive vehicle” means—

(A) a vehicle that uses an electric motor for all or part of the motive power of the vehicle, including battery electric, plug-in electric hybrid electric, fuel cell, and plug-in fuel cell vehicles and rail transportation vehicles; or

(B) mobile equipment that uses an electric motor to replace an internal combustion engine for all or part of the work of the equipment.

(4) ISLANDING.—The term “islanding” means a distributed generator or energy storage device continuing to provide a load in the absence of electric power from the primary source.

(5) FLYWHEEL.—The term “flywheel” means, in the case of an electric grid application, a device used to store rotational kinetic energy.

(6) MICROGRID.—The term “microgrid” means an integrated energy system containing interconnected distributed energy resources (including generators and energy storage devices), which as an integrated system can operate in parallel with the utility grid or in an intentional islanding mode.

(7) SELF-HEALING GRID.—The term “self-healing grid” means a grid that is capable of automatically anticipating and responding to power system disturbances (including the isolation of failed sections and components), while optimizing the performance and service provided to customers.

(8) SPINNING RESERVE SERVICES.—The term “spinning reserve services” means a quantity of electric generating capacity in excess of the quantity needed to meet peak electric demand.
coordinate relevant efforts with appropriate Federal agencies, including the Department of Transportation.

(6) ENERGY STORAGE ADVISORY COUNCIL.—

(A) Authorization.—For this subsection—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish an Energy Storage Advisory Council.

(B) COMPOSITION.—

(1) In general.—Subject to subparagraph (B), the Council shall consist of not less than 15 members appointed by the Secretary, based on recommendations of the National Academy of Sciences.

(C) Chairperson.—The Secretary shall select a Chairperson for the Council from among the members appointed under subparagraph (A).

(D) MEETINGS.—

(A) In general.—The Council shall meet not less than once a year.

(B) FEDERAL ADVISORY COMMITTEE ACT.—

The Secretary shall establish an Energy Storage Advisory Council to conduct activities with, a range of stakeholders, in- cluding the public, private, and academic sectors.

(h) ENERGY STORAGE RESEARCH CENTERS.—

(1) In general.—The Secretary shall estab- lish, through grants, not more than 4 energy storage research centers to translate basic research into applied tech- nologies to advance the capability of the United States to maintain a globally com- petitive posture in energy storage technologies, along with the collection of data on demonstrations, the Secretary shall, to the maximum extent practicable, include the participation of a range of stakeholders, in- cluding—

(A) electric drive vehicle manufacturers;

(B) energy storage system manufacturers;

(C) electric drive vehicle manufacturers;

(F) the renewable energy production indus- try;

(G) State or local energy offices;

(H) the fuel cell industry; and

(I) institutions of higher education.

(4) OBJECTIVES.—Each of the demonstrations shall include 1 or more of the fol- lowing:

(A) energy storage to improve the feasibility of microgrids or isolating, or trans- mission and distribution capability, to improve reliability in rural areas.

(B) Integration of an energy storage system with a self-healing grid.

(C) Use of energy storage to improve secu- rity to emergency response infrastructure and availability of emergency backup power for consumers.

(D) Integration with a renewable energy production source, at the source or away from the source.

(E) Use of energy storage to provide ancil- lary services, such as spinning reserve serv- ice, for grid management.

(F) Advancement of power conversion sys- tems to make the systems smarter, more ef- ficient, able to communicate with other in- vestors, and able to control voltage.

(G) Use of energy storage to optimize transmission and distribution operation and power quality, which could address over- loaded lines and maintenance of transferred substations and equipment.

(H) Use of advanced energy storage for peak load management of homes, businesses, and the grid.

(1) Use of energy storage devices to store energy during nonpeak generation periods to make better use of existing grid assets.

(j) VEHICLE ENERGY STORAGE DEMONSTRATION.—

(1) In general.—The Secretary shall carry out a program of electric drive vehicle en- ergy storage technology demonstrations, which may include—

(A) energy storage systems manufacturers and suppliers of the manufacturers;

(B) electric drive vehicle manufacturers;

(C) rural electric cooperatives;

(D) investor owned utilities;

(E) municipal and rural electric utilities;

(F) State and local governments;

(G) metropolitan transportation authori- ties; and

(H) institutions of higher education.

(3) OBJECTIVES.—The program shall dem- onstrate 1 or more of the following:

(A) high capability high efficiency energy storage, charging, and control sys- tems, along with the collection of data on
performance characteristics, such as battery life, energy storage capacity, and power delivery capacity.

(B) Advanced onboard energy management systems and highly efficient battery cooling systems.

(C) Integration of those systems on a prototype vehicle platform, including with drivetrains for passenger, commercial, and nonroad electric drive vehicles.

(D) New technologies and processes that reduce manufacturing costs.

(E) Investigation of advanced vehicle technologies with electricity distribution system and smart metering technology.

(F) Control systems that minimize emissions from engine systems in which conventional engines are part of a plug-in hybrid drive system.

(k) SECONDARY APPLICATIONS AND DISPOSAL OF ELECTRIC DRIVE VEHICLE BATTERIES.—The Secretary shall carry out a program of research, development, and demonstration of—

(1) secondary applications of energy storage devices following service in electric drive vehicles; and

(2) technologies and processes for final recycling and disposal of the devices.

(i) MERIT REVIEW OF PROPOSALS.—The Secretary shall carry out the programs established under this section in accordance with section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352).

(m) MENTOR REVIEW OF PROPOSALS.—The Secretary shall carry out the programs established under subsections (i), (j), and (k) in accordance with section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16353).

(n) COORDINATION AND NONDISCLOSURE.—To the maximum extent practicable, the Secretary shall coordinate activities under this section with other programs and laboratories of the Department and other Federal research programs.

(o) REVIEW BY NATIONAL ACADEMY OF SCIENCES.—On the business day that is 5 years after the date of enactment of this Act, the Secretary shall offer to enter into an arrangement with the National Academy of Sciences to assess the performance of the Department in carrying out this section.

(p) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out—

(1) the basic research program under subsection (a) $50,000,000 for each of fiscal years 2009 through 2018;

(2) the applied research program under subsection (g) $80,000,000 for each of fiscal years 2009 through 2018;

(3) the energy storage research center program under subsection (h) $100,000,000 for each of fiscal years 2009 through 2018;

(4) the energy storage systems demonstration program under subsection (i) $30,000,000 for each of fiscal years 2009 through 2018;

(5) the vehicle energy storage demonstration program under subsection (j) $40,000,000 for each of fiscal years 2009 through 2018; and

(6) the secondary applications and disposal of electric drive vehicle batteries program under subsection (k) $50,000,000 for each of fiscal years 2009 through 2018.

Subtitle E—Miscellaneous Provisions

SEC. 615. LIGHTWEIGHT MATERIALS RESEARCH AND DEVELOPMENT.

(a) In General.—As soon as practicable after the date of enactment of this Act, the Secretary of Energy shall establish a program to determine ways in which the weight of motor vehicles could be reduced to improve fuel efficiency without compromising passenger safety by conducting research, development, and demonstration relating to—

(1) the development of new materials (including cast metal composite materials formed by autocombustion synthesis) and material processes that yield a higher strength-to-weight ratio or other properties that reduce vehicle weight; and

(2) reducing the cost of—

(A) lightweight materials (including high-strength steel alloys, aluminum, magnesium, metal composites, and carbon fiber reinforced polymer composites) with the properties required for construction of lightweight vehicles; and

(B) materials processing, automated manufacturing, joining, and recycling lightweight materials processes that yield a higher strength-to-weight ratio or other properties.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this program for the period of fiscal years 2009 through 2012.

SEC. 652. COMMERCIAL INSULATION DEMONSTRATION PROGRAM.

(a) Definition.—

(1) ADVANCED INSULATION.—The term "advanced insulation" means insulation that has an R value of not less than R5 per inch.

(2) COVERED REFRIGERATION UNIT.—The term "covered refrigeration unit" means any—

(A) commercial refrigerated truck;

(B) commercial refrigerator, freezer, or food display cooler that is smaller than 24 cubic feet; or

(C) commercial refrigerator, freezer, or food display cooler described in section 342(c) of the Energy Policy and Conservation Act (42 U.S.C. 6212).

(b) Report.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that includes an evaluation of—

(1) the state of technological advancement of advanced insulation; and

(2) the projected amount of cost savings that would be generated by implementing advanced insulation into covered refrigeration units.

(c) Demonstration Program.—

(1) Establishment.—If the Secretary determines in the report described in subsection (b) that the implementation of advanced insulation into covered refrigeration units would generate an economically justifiable amount of cost savings, the Secretary, in cooperation with manufacturers of covered refrigeration units, shall establish a demonstration program under which the Secretary shall demonstrate the cost-effectiveness of advanced insulation.

(2) Disproportionate Impact.—Any Federal program established under this section may, for a period of up to five years after an award is granted under the demonstration program, exempt from mandatory disclosure under section 552 of title 5, United States Code (popularly known as the Freedom of Information Act) information that the Secretary determines would be a privileged or confidential trade secret or confidential or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government party.

(d) Cost-Share.—Not later than 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to any project carried out under this subsection.

(e) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $8,000,000 for the period of fiscal years 2009 through 2014.

SEC. 653. TECHNICAL CRITERIA FOR CLEAN COAL POWER INITIATIVE

Section 502(b)(1)(B)(ii) of the Energy Policy Act of 2005 (42 U.S.C. 15962(b)(1)(B)(ii)) is amended by striking clause (1) and inserting the following:

"(1) to remove at least 99 percent of sulfur dioxide emissions;"

"(2) to emit not more than 0.04 pound SO2 per million Btu, based on a 30-day average;"

SEC. 654. H-PRIZE.

Section 502(c)(4)(A) of the Energy Policy Act of 2005 (42 U.S.C. 15966) is amended by adding at the end the following new subsection:

"(‘‘H-PRIZE.—"

(1) Prize Authority.—

(A) In General.—As part of the program under this section, the Secretary shall carry out a program to competitively award prizes in conformity with this subsection to advance the research, development, demonstration, and commercial application of hydrogen energy technologies.

(2) Advertising and Solicitation of Competitors.—The Secretary shall widely advertise prize competitions under this subsection to encourage broad participation, including by individuals, universities, historically Black colleges and universities and other minority serving institutions, and large and small businesses (including businesses owned or controlled by individuals and economically disadvantaged persons).

(B) Announcement Through Federal Register Notice.—The Secretary shall announce each prize competition under this subsection by publishing a notice in the Federal Register. This notice shall include essential elements of the competition such as the subject of the competition, the eligibility requirements for participation in the competition, the process for participants to register for the competition, the competition, the criteria for awarding the prize, and the criteria for awarding the prize.

(C) Administering the Competitions.—The Secretary shall enter into an agreement with one or more, as determined by the Secretary, to administer the prize competitions under this subsection, subject to the provisions of this subsection, to include the ‘‘administering entity.’’ The duties of the administering entity under the agreement shall include—

(i) advertising prize competitions under this subsection and their results;

(ii) raising funds from private entities and individuals to pay for administrative costs and to contribute to cash prizes, including funds provided in exchange for the right to name a prize awarded under this subsection;

(iii) developing, in consultation with and subject to the final approval of the Secretary, the criteria for selecting winners in prize competitions under this subsection, based on goals established by the Secretary;

(iv) determining, in consultation with the Secretary, the appropriate amount and fund sources for each prize awarded under this subsection, subject to the final approval of the Secretary with respect to Federal funding;

(v) providing advice and consultation to the Secretary on the selection of judges in accordance with paragraph (2)(D), using criteria developed in consultation with and subject to the final approval of the Secretary; and

(vi) protecting against the administering entity’s unauthorized use or disclosure of a participant’s personal or confidential business information.

Any information properly identified as trade secrets or confidential business information that is submitted by a participant as part of a competitive program under this subsection may be withheld from public disclosure.

(D) Funding Sources.—Prizes under this subsection shall consist of Federal appropriated funds and any funds provided by the administering entity (including funds raised pursuant to subparagraph (C)(ii) for such programs). The Secretary may accept funds from other Federal agencies for such cash prizes and, notwithstanding section 3302(b) of title 31, United States Code, consider such funds to be part of the program under this subsection. Other than publication of the names of prize sponsors, the
Secretary may not give any special consideration to any private sector entity or individual in return for a donation to the Secretary or administering entity.

(2) Prize categories.—The Secretary may not issue a notice required by subparagraph (B)(ii) until all the funds needed to pay out the announced amount of the prize has been appropriated or committed in writing by the administering entity. The Secretary may increase the amount of a prize after an initial announcement is made under subparagraph (B)(ii) if—

(i) notice of the increase is provided in the same manner as the initial notice of the prize; and

(ii) the funds needed to pay out the announced amount of the increase have been appropriated or committed in writing by the administering entity.

(F) SUNSET.—The authority to announce prize competitions under this subsection shall terminate on September 30, 2018.

(2) Prize categories.—

(A) CATEGORIES.—The Secretary shall establish prize categories for this subsection for—

(i) advancements in technologies, components, or processes that may include—

(II) hydrogen distribution; and

(III) hydrogen-based products that—

(iii) may consult with other experts such as private organizations, including professional societies, industry associations, and national laboratories acting within the scope of his employment, or an employee of a national laboratory acting within the scope of his employment; and

(iv) hold one or more subcategories, reduce the amount of the prizes, or not hold a prize competition.

(iv) TRANSFORMATIONAL TECHNOLOGIES.—To the extent permitted under paragraph (1)(E), prizes authorized under subparagraph (A)(i) shall be awarded biennially to the most significant advancements made in each of the four subcategories described in paragraphs (1)(I) through (IV) of subsection (A) since the submission deadline of the previous prize competition.

(B) REQUIREMENTS. — Registered participants shall be required to—

(i) have personal or financial interests in, or be an employee, officer, director, or agent of, any entity that is a registered participant in the prize competition for which he or she will serve as a judge; or

(ii) have a familial or financial relationship with an individual who is a registered participant in the prize competition for which he or she will serve as a judge.

(C) CRITERIA. — In establishing the criteria required by this subsection, the Secretary—

(i) shall consult with the National Science Foundation; and

(ii) may consult with other experts such as professional societies, industry associations, and universities.

(D) JUDGES.—For each prize competition under this subsection, an individual or entity that is a registered participant to waive claims against the administering entity arising out of the unauthorized use or disclosure by the administering entity of confidential information or participant’s trade secrets or confidential business information.

(E) LIABILITY INSURANCE.—The Secretary shall require registered participants in a prize competition under this subsection to maintain liability insurance or demonstrate financial responsibility for any judgment, damage, or loss resulting from an activity directed by the Secretary.

(F) FEDERAL GOVERNMENT INSURED.—The Federal Government shall be named as an additional insured under a registered participant’s liability insurance policy.

(G) INTELLECTUAL PROPERTY.—The Secretary shall require a registered participant to agree to indemnify the Federal Government for any judgment, damage, or loss resulting from an activity directed by the Secretary.

(H) INELIGIBILITY. — No registered participant to waive claims against the administering entity arising out of the unauthorized use or disclosure by the administering entity of confidential information or participant’s trade secrets or confidential business information.

(I) REPORT TO CONGRESS.—Not later than 60 days after the announcement of the first prize under this subsection and annually thereafter, the Secretary shall transmit to the Congress a report that—

(i) identifies each award recipient; and

(ii) describes the technologies developed by each award recipient; and

(iii) specifies actions being taken toward commercial application of all technologies.

(4) INTELLECTUAL PROPERTY. — The Federal Government shall not, by virtue of offering or awarding a prize under this subsection, be entitled to any intellectual property rights derived as a consequence of, or direct relation to, the participation by a registered participant in a competition authorized by this subsection.

(5) INELIGIBILITY. — No registered participant to waive claims against the administering entity arising out of the unauthorized use or disclosure by the administering entity of confidential information or participant’s trade secrets or confidential business information.

(6) CARRYOVER OF FUNDS. — Funds appropriated for prize awards under this subsection shall remain available until expended.

(7) AUTHORIZATION OF APPROPRIATIONS.—(A) IN GENERAL.—There are authorized to be appropriated to the Secretary for the period encompassing fiscal years 2008 through 2017 for carrying out this subsection—

(i) $2,000,000 for the administrative costs of carrying out this subsection;

(ii) $20,000,000 for awards described in paragraph (2)(A)(i); and

(iii) $10,000,000 for the award described in paragraph (2)(A)(ii).

(B) ADMINISTRATION.—In addition to the amounts authorized in clause (i), there are authorized to be appropriated to the Secretary for fiscal years 2008 and 2009 $2,000,000 for the administrative costs of carrying out this subsection.

(8) CARRYOVER OF FUNDS.—Funds appropriated for prize awards under this subsection shall remain available until expended, and may be transferred, reprogrammed, or expended for other purposes only after the expiration of 10 fiscal years after the fiscal year for which the funds were originally appropriated. No provision in this subsection permits obligation of any funds authorized by Title III of the United States Code (commonly referred to as the Anti-Deficiency Act).

(9) NONSUBSTIUTION.—The programs created under this subsection shall not be considered a substitute for Federal research and development programs.

S15312
CONGRESSIONAL RECORD — S 15312
December 12, 2007
SEC. 655. BRIGHT TOMORROW LIGHTING PRIZES.

(a) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, as part of the program carried out under section 1008 of the Energy Policy Act of 2005 (42 U.S.C. 16396), the Secretary shall establish and award Bright Tomorrow Lighting Prizes for solid-state lighting in accordance with this section.

(b) PRIZE SPECIFICATIONS.—

(1) 60-WATT INCANDESCENT REPLACEMENT LAMP PRIZE.—The Secretary shall award a 60-Watt Incandescent Replacement Lamp Prize to an entrant that produces a solid-state light package simultaneously capable of—

(A) producing a light output greater than 1,200 lumens;

(B) having an efficiency greater than 150 lumens per watt;

(C) having a color rendering index greater than 90;

(D) having a color coordinate temperature between 2,800 and 3,000 degrees Kelvin; and

(E) having a lifetime exceeding 25,000 hours.

(2) PAR TYPE 38 HALOGEN REPLACEMENT LAMP PRIZE.—The Secretary shall award a PAR Type 38 Halogen Replacement Lamp Prize in accordance with American National Standards Institute standard C78.20-2003, figure C78.21-2003; (f) using a single contact medium screw socket; and (J) mass production for a competitive sales period of—

(A) producing a luminous flux greater than or equal to 1,350 lumens;

(B) consuming less than or equal to 11 watts; and

(C) having an efficiency greater than 123 lumens per watt;

(D) having a color rendering index greater than or equal to 90;

(E) having a correlated color coordinate temperature of not less than 2,750, and not more than 3,000, degrees Kelvin;

(F) having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use;

(G) having a light distribution pattern similar to a soft 60-watt incandescent A19 bulb;

(H) having a size and shape that fits within the maximum dimensions of an A19 bulb in accordance with American National Standards Institute standard C78.20-2003, figure C78.21-2003; (f) using a single contact medium screw socket; and (J) mass production for a competitive sales period of—

(A) producing a luminous flux greater than or equal to 1,350 lumens;

(B) consuming less than or equal to 11 watts; and

(C) having an efficiency greater than 123 lumens per watt;

(D) having a color rendering index greater than or equal to 90;

(E) having a correlated color coordinate temperature of not less than 2,750, and not more than 3,000, degrees Kelvin;

(F) having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use;

(G) having a light distribution pattern similar to a PAR 38 halogen lamp;

(H) having a size and shape that fits within the maximum dimensions of a PAR 38 halogen lamp in accordance with American National Standards Institute standard C78-21-2003, figure C78.21-238; (f) using a single contact medium screw socket; and (J) mass production for a competitive sales period of—

(A) producing a light output greater than 1,200 lumens;

(B) having an efficiency greater than 150 lumens per watt;

(C) having a color rendering index greater than 90;

(D) having a color coordinate temperature between 2,800 and 3,000 degrees Kelvin; and

(E) having a lifetime exceeding 25,000 hours.

(c) PRIVATE FUNDS.—

(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding section 3302 of title 31, United States Code, the Secretary may accept, retain, and use funds contributed by any person, government entity, or organization for purposes of carrying out this section—

(A) without further appropriation; and

(B) without fiscal year limitation.

(2) PRIZE COMPETITION.—A private source of funding may not participate in the competition for prizes awarded under this section.

(d) SECULAR REVIEW.—The Secretary shall establish a technical review committee composed of non-Federal officers to review entrant data submitted under this section to determine whether entrants meet the prize specifications described in subsection (b).

(e) THIRD PARTY ADMINISTRATION.—The Secretary may competitively select a third party to administer awards under this section.

(f) ELIGIBILITY FOR PRIZES.—To be eligible to be awarded a prize under this section—

(1) in the case of a private entity, the entity shall be incorporated in and maintain a primary place of business in the United States; and

(2) in the case of an individual (whether participating as a single individual or in a group), the individual shall be a citizen or lawful permanent resident of the United States.

(g) AWARD AMOUNTS.—Subject to the availability of funds to carry out this section, the amount of—

(1) the 60-Watt Incandescent Replacement Lamp Prize described in subsection (b)(1) shall be $10,000,000;

(2) the PAR Type 38 Halogen Replacement Lamp Prize described in subsection (b)(2) shall be $5,000,000; and

(3) the Twenty-First Century Lamp Prize described in subsection (b)(3) shall be $5,000,000.

(h) FEDERAL PROCUREMENT OF SOLID-STATE-LIGHT FIXTURES.

(1) 60-WATT INCANDESCENT REPLACEMENT.—Subject to paragraph (3), as soon as practicable after the successful award of the 60-Watt Incandescent Replacement Lamp Prize under subsection (b)(1), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with a goal of replacing the use of 60-watt incandescent lamps in Federal Government buildings with a solid-state-light package described in subsection (b)(1) by not later than the date that is 5 years after the date the award is made.

(2) PAR 38 HALOGEN REPLACEMENT LAMP REPLACEMENT.—Subject to paragraph (3), as soon as practicable after the successful award of the PAR Type 38 Halogen Replacement Lamp Prize under subsection (b)(2), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with a goal of replacing the use of PAR 38 halogen lamps in Federal Government buildings with a solid-state-light package described in subsection (b)(2) by not later than the date that is 5 years after the date the award is made.

(i) NATIONAL INCENTIVE FOR PRIZE WINNERS.

The Secretaries of the Interior, Energy, and Commerce, respectively, shall submit to Congress an annual report that describes the waiver and provides a detailed justification for the waiver.

(i) REPORT.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Administrator of General Services shall submit to the Federal Information Agency a report describing the quantity, type, and cost of each lighting product purchased by the Federal Government.

(j) BRIGHT TOMORROW LIGHTING AWARD FUND.

(1) ESTABLISHMENT.—There is established in the United States Treasury a Bright Tomorrow Lighting permanent fund without fiscal year limitation to award prizes under paragraphs (1), (2), and (3) of subsection (b).

(2) SOURCES OF FUNDS.—The fund established under paragraph (1) shall accept—

(A) fiscal year appropriations; and

(B) private contributions authorized under subsection (c).

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 656. RENEWABLE ENERGY INNOVATION MANUFACTURING PARTNERSHIP.

(a) ESTABLISHMENT.—The Secretary shall carry out a program to be known as the Renewable Energy Energy Innovation Manufacturing Partnership Program (referred to in this section as the “Program”), to make assistance awards to eligible entities for use in carrying out research, development, and demonstration relating to the manufacturing of renewable energy technologies.

(b) SOLECITATION.—To carry out the Program, the Secretary shall annually conduct a competitive solicitation for assistance awards for an eligible project described in subsection (e).

(c) PROGRAM PURPOSES.—The purposes of the Program are—

(1) to develop, or aid in the development of, advanced manufacturing processes, materials, and infrastructure;

(2) to increase the domestic production of renewable energy technology and components; and

(3) to better coordinate Federal, State, and private resources to meet regional and national renewable energy goals through advanced manufacturing partnerships.

(d) ELIGIBLE ENTITIES.—An entity shall be eligible to receive an assistance award under the Program to carry out an eligible project described in subsection (e) if the entity is composed of—

(1) 1 or more public or private nonprofit institutions or national laboratories engaged in research, development, demonstration, or technology transfer, that would participate substantially in the project; and

(2) 1 or more private entities engaged in the manufacturing or development of renewable energy system components (including solar energy, wind energy, biomass, geothermal energy, energy storage, or fuel cells).

(e) ELIGIBLE PROJECTS.—An eligible entity may use an assistance award provided under this section to carry out a project relating to—

(1) the conduct of studies of market opportunities for component manufacturing of renewable energy systems;
(2) the conduct of multyear applied research, search, development, demonstration, and deployment projects for advanced manufacturing processes, materials, and infrastructures for large-scale sequestration systems; and

(3) other similar ventures, as approved by the Secretary, that promote advanced manufacturing of renewable technologies.

(1) GUIDELINES.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under the Program.

(2) OVERSHARING.—Section 986 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to a project carried out under this section.

(b) DISCLOSURE.—The Secretary may, for a period of up to five years after a project is awarded under this section, exempt from mandatory disclosure under section 552 of title 5, United States Code (popularly known as the Freedom of Information Act) information that the Secretary determines would be a privileged or confidential trade secret or commercial or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government source.

(1) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Secretary should ensure that small businesses engaged in new energy or energy efficiency activities be given priority consideration for the assistance awards provided under this section.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated out of funds already authorized to carry out this section $25,000,000 for each of fiscal years 2008 through 2013, to remain available until expended.

TITLE VII—CARBON CAPTURE AND SEQUESTRATION

Subtitle A—Carbon Capture and Sequestration Research, Development, and Demonstration

SEC. 701. SHORT TITLE.
This subtitle may be cited as the “Department of Energy Carbon Capture and Sequestration Research, Development, and Demonstration Act of 2007.”

(a) AMENDMENT.—Section 963 of the Energy Policy Act of 2005 (42 U.S.C. 16293) is amended—

(1) in the section heading, by striking “RESEARCH AND DEVELOPMENT” and inserting “AND SEQUESTRATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION”;

(2) in subsection (a), by striking “(A)” and inserting “(A)”; and

(b) by striking “capture technologies on combustion-based systems” and inserting “capture and sequestration technologies related to industrial sources of carbon dioxide”;

(3) in subsection (b)—

(A) in paragraph (3), by striking “and at the end;”;

(B) in paragraph (4), by striking the period at the end and inserting “and”;

(C) by adding at the end the following:

“(5) to expedite and carry out large-scale testing of carbon sequestration systems in a range of geologic formations that will provide information on the cost and feasibility of commercial deployment of sequestration technologies;”;

(4) by striking subsection (c) and inserting the following:

“(1) FUNDAMENTAL SCIENCE AND ENGINEERING RESEARCH AND DEVELOPMENT AND DEMONSTRATION SUPPORTING CARBON CAPTURE AND SEQUESTRATION TECHNOLOGIES AND CARBON USE ACTIVITIES.—

(A) IN GENERAL.—The Secretary shall carry out fundamental science and engineering research (including laboratory-scale experiments, numeric modeling, and simulations) to develop and document the performance of new approaches to capture and sequester, or use carbon dioxide to lead to an overall reduction of carbon dioxide emissions.

(B) PROGRAM INTEGRATION.—The Secretary shall ensure that fundamental research carried out under this paragraph is appropriately applied to energy technology development activities, the field testing of carbon sequestration, and carbon use activities, including—

(i) development of new or advanced technologies for the capture and sequestration of carbon dioxide;

(ii) development of new or advanced technologies that reduce the cost and increase the efficacy of advanced compression of carbon dioxide required for the sequestration of carbon dioxide;

(iii) modeling and simulation of geologic sequestration field demonstrations;

(iv) quantification of risks relating to specific field sites for testing of sequestration technologies;

(v) research and development of new and advanced technologies for carbon use, including recycling and reuse of carbon dioxide; and

(vi) research and development of new and advanced technologies for the separation of oxygen from air.

(2) FIELD VALIDATION TESTING ACTIVITIES.—

(A) IN GENERAL.—The Secretary shall promote, to the maximum extent practicable, regional carbon sequestration partnerships and demonstration projects involving carbon dioxide injection and monitoring, mitigation, and verification operations in a variety of candidate geologic settings, including—

(i) operating oil and gas fields;

(ii) depleted oil and gas fields;

(iii) unmineable coal seams;

(iv) deep saline formations;

(v) deep geologic systems that may be used as engineered reservoirs to extract economical quantities of heat from geothermal systems of low permeability or porosity; and

(vi) deep geologic systems containing basalt formations.

(B) OBJECTIVES.—The objectives of tests conducted under this paragraph shall be—

(i) to develop and validate geophysical tools, analysis, and modeling to monitor, predict, and verify carbon dioxide containment;

(ii) to validate modeling of geologic formations;

(iii) to refine sequestration capacity estimated for particular geologic formations;

(iv) to determine the fate of carbon dioxide concurrent with and following injection into geologic formations;

(v) to develop and implement best practices for operations relating to, and monitoring of, carbon dioxide injection and sequestration of geologic formations;

(vi) to assess and ensure the safety of operations related to geologic sequestration of carbon dioxide;

(vii) to require the Secretary to promulgate policies, procedures, requirements, and guidance to ensure that the objectives of this subparagraph are met in large-scale testing and operation of field projects for capture and sequestration that are funded by the Department of Energy; and

(viii) to provide information to States, the Environmental Protection Agency, and other appropriate entities to support development of a regulatory framework for commercial deployment of technologies that will ensure the protection of public health and the environment.

(C) LARGE-SCALE CARBON DIOXIDE SEQUESTRATION TESTING.—

(A) IN GENERAL.—The Secretary shall conduct not less than 7 initial large-scale sequestration tests, not including the pilot-scale project, for demonstration of carbon dioxide to collect and validate information on the cost and feasibility of commercial deployment of advanced geologic containment of carbon dioxide. These 7 tests may include any Regional Partnership projects awarded as of the date of enactment of the Energy Policy Act of 2005 (42 U.S.C. 16361), and any other demonstration projects conducted under this Title.

(B) DIVERSITY OF FORMATIONS TO BE STUDIED.—In selecting formations for study under this paragraph, the Secretary shall consider a variety of geologic formations across the United States, and require characterization, modeling of carbon dioxide formations, as determined by the Secretary.

SEC. 702. CARBON CAPTURE AND SEQUESTRATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.
This section may be cited as the “Energy Policy Act of 2005 (42 U.S.C. 16361).”

(A) AMENDMENT.—Section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall be amended—

(1) by striking “energy capture and sequestration technologies research and development activities” and inserting “—

(A) to develop and validate geophysical tools, analysis, and modeling to monitor, predict, and verify carbon dioxide containment;

(B) to validate modeling of geologic formations;

(C) to refine sequestration capacity estimated for particular geologic formations;

(D) to determine the fate of carbon dioxide concurrent with and following injection into geologic formations;

(E) to develop and implement best practices for operations relating to, and monitoring of, carbon dioxide injection and sequestration of geologic formations;

(F) to assess and ensure the safety of operations related to geologic sequestration of carbon dioxide;

(G) to require the Secretary to promulgate policies, procedures, requirements, and guidance to ensure that the objectives of this subparagraph are met in large-scale testing and operation of field projects for capture and sequestration that are funded by the Department of Energy; and

(H) to provide information to States, the Environmental Protection Agency, and other appropriate entities to support development of a regulatory framework for commercial deployment of technologies that will ensure the protection of public health and the environment.

(C) SOURCES OF CARBON DIOXIDE FOR LARGE-SCALE SEQUESTRATION TESTS.—In the process of determining which sequestration technologies for sequestration tests under subparagraph (A), the Secretary shall—

(1) require preference to sources of carbon dioxide from industrial sources annually or on a scale that demonstrates the ability to inject and sequester several million metric tons of industrial source carbon dioxide for a large number of years.

(2) PREPARE FOR PROJECT SELECTION FROM MERITORIOUS PROPOSALS.—In making competitive awards under this subsection, subject to the requirements of section 989, the Secretary shall—

(A) give preference to proposals from partnerships among industrial, academic, and government entities; and

(B) require recipients to provide assurances that all laborers and mechanics employed by contractors and subcontractors in the construction, repair, or alteration of new or existing facilities performed in order to carry out a demonstration or commercial application activity and which are subject to the Act shall be paid rates at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with Reorganization Plan Number 1 of 1950 (15 Fed. Reg. 3176; 5 U.S.C. Appendix) and section 3145 of title 40, United States Code.

(B) COST SHARING.—Activities under this subsection shall be subsized research and development activities that are subject to the cost sharing requirements of section 989(b).

(6) PROGRAM REVIEW AND REPORT.—During fiscal year 2011, the Secretary shall—

(1) at the conclusion of fiscal year 2011, submit to the Congress a report discussing the status of research and development activities carried out under this subsection; and
"(B) make recommendations with respect to continuation of the activities.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section:

"(1) $240,000,000 for fiscal year 2008;

"(2) $240,000,000 for fiscal year 2009;

"(3) $240,000,000 for fiscal year 2010;

"(4) $240,000,000 for fiscal year 2011; and

"(5) $240,000,000 for fiscal year 2012.".

(b) TABLE OF CONTENTS AMENDMENT.—The item relating to section 963 in the table of contents in the Energy Policy Act of 2005 is amended to read as follows: "Sec. 963. Carbon capture and sequestration research, development, and demonstration program.

SEC. 703. CARBON CAPTURE.

(a) PROGRAM ESTABLISHMENT.—(1) IN GENERAL.—The Secretary shall carry out a program to demonstrate technologies for the large-scale capture of carbon dioxide from industrial sources. In making awards under this program, the Secretary shall select, as appropriate, a diversity of capture technologies to address the need to capture carbon dioxide from a range of industrial sources.

(2) SCOPE OF AWARD.—Awards under this section shall be only for the portion of the project that—

(A) carries out the large-scale capture (including comprehensive compression of carbon dioxide from industrial sources);

(B) provides for the transportation and injection of carbon dioxide; and

(C) incorporates a comprehensive measurement, monitoring, and validation program.

(3) PREFERENCES FOR AWARD.—To ensure reduced carbon dioxide emissions, the Secretary shall take necessary action to provide for the integration of the program under this paragraph with the large-scale carbon dioxide sequestration tests described in section 962 of the Energy Policy Act of 2005 (42 U.S.C. 16293(c)(3)), as added by section 702 of this subtitle. These actions should not delay implementation of these tests. The Secretary shall give priority consideration to projects with the following characteristics:

(A) CAPACITY.—Projects that will capture a high percentage of the carbon dioxide in the treated stream and large volumes of carbon dioxide as determined by the Secretary.

(B) SEQUESTRATION.—Projects that capture and store carbon dioxide industrial sources that are near suitable geological reservoirs and could continue sequestration including—

(i) a field testing validation activity under section 962 of the Energy Policy Act of 2005 (42 U.S.C. 16293), as amended by this Act; or

(ii) other geologic sequestration projects approved by the Secretary.

(4) REQUIREMENT.—For projects that generate carbon dioxide that is to be sequestered, the carbon dioxide stream shall be of a sufficient purity level to allow for safe transportation and sequestration.

(5) COST-SHARING.—The cost-sharing requirements of section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) for research and development projects shall apply to this section.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $200,000,000 per year for fiscal years 2009 through 2013.

SEC. 794. REVIEW OF LARGE-SCALE PROGRAMS.

The Secretary shall enter into an arrangement with the National Academy of Sciences for an independent review and oversight, beginning in 2011, of the programs under section 703 of the Energy Policy Act of 2005 (42 U.S.C. 16293(c)(3)), as added by section 702 of this subtitle, and under section 703 of this subtitle, to ensure that the benefits of such programs are maximized. Not later than January 1, 2012, the Secretary shall transmit to the Congress a report on the results of such reviews.

SEC. 705. GEOLOGIC SEQUESTRATION TRAINING AND RESEARCH.

(a) STUDY.—(1) IN GENERAL.—The Secretary shall enter into an agreement with the National Academy of Sciences to undertake a study that—

(A) adopts an interdisciplinary program in geology, engineering, hydrology, environmental science, and related disciplines that will support the Nation’s capability to capture and sequester carbon dioxide from anthropogenic sources;

(B) addresses undergraduate and graduate education, especially to help develop graduate-level programs of research and instruction that lead to advanced degrees with emphasis on geologic sequestration science;

(C) develops guidelines for proposals from colleges and universities with substantial capabilities in the required disciplines that seek to implement geologic sequestration science programs that advance the Nation’s capability to manage carbon dioxide through geologic sequestration science; and

(D) outlines a budget and recommendations for how much funding will be necessary to establish and carry out the grant program under subsection (b).

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to the Congress a copy of the results of the study provided by the National Academy of Sciences under paragraph (1).

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this subsection $1,000,000 for fiscal year 2008.

(c) GRANT PROGRAM.—(1) ESTABLISHMENT.—The Secretary shall establish a competitive grant program through which colleges and universities may apply for and receive 4-year grants for—

(A) salary and startup costs for newly designated faculty positions in an integrated geologic carbon sequestration science program; and

(B) internships for graduate students in geologic sequestration science.

(2) RENEWAL.—Grants under this subsection shall be renewable for up to 2 additional 3-year terms, based on performance criteria, established by the National Academy of Sciences study conducted under subsection (a), the Secretary’s assessment of the number of graduates of such programs.

(3) INTERFACE WITH REGIONAL GEOLOGIC CARBON SEQUESTRATION PARTNERSHIPS.—To the greatest extent possible, geologic carbon sequestration science programs supported under this subsection shall interface with the Regional Carbon Sequestration Partnerships operated by the Department to provide internships and practical training in carbon capture and geologic sequestration.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this subsection such sums as may be necessary.

SEC. 796. RELATION TO SAFE DRINKING WATER ACT.

The injection and geologic sequestration of carbon dioxide pursuant to this subtitle and the agencies made by this subtitle shall be subject to the requirements of the Safe Drinking Water Act (42 U.S.C. 300f et seq.), including the provisions of part C of such Act (relating to protection of underground sources of drinking water). Nothing in this subtitle and the amendments made by this subtitle imposes or authorizes the promulgation of any requirement that is inconsistent or in conflict with the requirements of the Safe Drinking Water Act (42 U.S.C. 300f et seq.) or regulations thereunder.

SEC. 707. SAFETY RESEARCH.

(a) PROGRAM.—The Administrator of the Environmental Protection Agency shall conduct a research program to address public health, safety, and environmental impacts that may be associated with capture, injection, and sequestration of greenhouse gases in geologic reservoirs.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for this section $5,000,000 for each fiscal year.

SEC. 708. UNIVERSITY BASED RESEARCH AND DEVELOPMENT GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in consultation with other appropriate agencies, shall establish a university based research and development program to study carbon capture and sequestration using the various types of coal.

(b) RURAL AND AGRICULTURAL INSTITUTIONS.—The Secretary shall give special consideration to rural or historically black institutions in areas that have regional sources of coal and that offer interdisciplin- ary programs in the area of environmental science that lead to advanced degrees.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are to be authorized to be appropriated $10,000,000 to carry out this section.

Subtitle B—Carbon Capture and Sequestration Assessment and Framework

SEC. 711. CARBON DIOXIDE SEQUESTRATION ASSESSMENT AND RESEARCH POLICY AMENDMENTS.

(a) DEFINITIONS.—In this section—

(1) ASSESSMENT.—The term ‘‘assessment’’ means the national assessment of onshore capacity for carbon dioxide completed under subsection (f).

(2) CAPACITY.—The term ‘‘capacity’’ means the portion of a sequestration formation that can retain carbon dioxide in accordance with the requirements (including physical, geological, and economic requirements) established under the methodology developed under this section.

(3) ENGINEERED HAZARD.—The term ‘‘engineered hazard’’ includes the location and completion history of any well that could affect a potential sequestration formation.

(4) RISK.—The term ‘‘risk’’ includes any risk posed by geomechanical, geochemical, hydrogeological, structural, and engineered hazards.

(5) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(b) SEQUESTRATION FORMATION.—The term ‘‘sequestration formation’’ means a deep saline formation, unmineable coal seam, or oil and gas reservoir that has the capacity to store a volume of industrial carbon dioxide.

(c) METROLOGY.—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a methodology for conducting an assessment under subsection (f), taking into consideration—

(1) the geographical extent of all potential sequestration formations in all States;

(2) the capacity of the potential sequestration formations;

(3) the injectivity of the potential sequestration formations;

(4) an estimate of potential volumes of oil and gas recoverable by injection and sequestration of industrial carbon dioxide in potential sequestration formations; and

(5) the risk associated with the potential sequestration formations; and
(6) the work done to develop the Carbon Sequestration Atlas of the United States and Canada that was completed by the Department.

(c) COORDINATION.—

(1) FEDERAL COORDINATION.—

(A) CONSULTATION.—The Secretary shall consult with the Secretary of Energy and the Administrator of the Environmental Protection Agency on issues of data sharing, format, development of the methodology, and content of the assessment required under this subsection to ensure the maximum usefulness and success of the assessment.

(B) COOPERATION.—The Secretary of Energy and the Administrator shall cooperate with the Secretary of Commerce, to the maximum extent practicable, the usefulness and success of the assessment.

(2) STATE COORDINATION.—The Secretary shall consult with State geological surveys and other relevant entities to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(d) EXTERNAL REVIEW AND PUBLICATION.—

On completion of the methodology under subsection (b), the Secretary shall—

(1) publish the methodology and solicit comments from public and the heads of affected Federal and State agencies;

(2) establish a panel of individuals with expertise in the matters described in paragraph (1) of subsection (b) composed, as appropriate, of representatives of Federal agencies, institutions of higher education, nongovernmental organizations, State organizations, industry, and international geoscience organizations to review the methodology and comments received under paragraph (1); and

(3) complete the review under paragraph (2), publish in the Federal Register the revised final methodology.

(e) PERIODIC UPDATES.—The methodology developed under subsection (b) shall be updated periodically (including at least once every 5 years) to incorporate new data as the data becomes available.

(f) NATIONAL ASSESSMENT.—

(1) IN GENERAL.—Not later than 2 years after the date of publication of the methodology under subsection (b), the Secretary, in consultation with the Secretaries of Agriculture and the Interior, and State geological surveys, shall complete a national assessment of capacity for carbon dioxide in accordance with the methodology.

(2) DETERMINATION.—As part of the assessment under this subsection, the Secretary shall carry out a drilling program to supplement the geological data relevant to determining the capacity of carbon dioxide in geological sequestration formations, including—

(A) well log data;

(B) core data; and

(C) fluid sample data.

(3) PARTNERSHIP WITH OTHER DRILLING PROGRAMS.—As part of the drilling program under paragraph (2), the Secretary shall enter, as appropriate, into partnerships with other entities to collect and integrate data from other drilling programs relevant to the sequestration of carbon dioxide in geological sequestration formations.

(g) INCORPORATION INTO NATCARB.—

(A) IN GENERAL.—On completion of the assessment, the Secretary of Energy and the Secretary of the Interior shall incorporate the results of the assessment using—

(i) the NatCarb database, to the maximum extent practicable; or

(ii) a new database developed by the Secretary of Energy, as the Secretary of Energy determines to be necessary.

(B) The database shall include the data necessary to rank potential sequestration sites for capacity and risk, across the United States, within each State, by formation, and within each basin.

(h) REPORT.—Not later than 180 days after the date on which the assessment is complete, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report describing the findings under the assessment.

(i) PERIODIC UPDATES.—The national assessment developed under this section shall be updated periodically (at least once every 5 years) to support public and private sector decisionmaking.

(j) AUTHORIZATION OF APPROPRIATIONS.—In conducting the assessment under subsection (b), the Secretary is appropriated to carry out this section $30,000,000 for the period of fiscal years 2008 through 2012.

S.E.C. 712. ASSESSMENT OF CARBON SEQUESTRATION AND METHANE AND NITROUS OXIDE EMISSIONS FROM ECOSYSTEMS

(a) DEFINITIONS.—In this section:

(1) ADAPTATION STRATEGY.—The term ‘‘adaptation strategy’’ means a land use and management strategy that can be used—

(A) to increase the sequestration capabilities of covered greenhouse gases of any ecosystem; or

(B) to reduce the emissions of covered greenhouse gases from any ecosystem.

(2) ASSESSMENT.—The term ‘‘assessment’’ means the national assessment authorized under subsection (b).

(3) COVERED GREENHOUSE GAS.—The term ‘‘covered greenhouse gas’’ means carbon dioxide, nitrous oxide, and methane.

(4) ECO SYSTEM.—The term ‘‘ecosystem’’ means any terrestrial, freshwater aquatic, or marine ecosystem.

(5) NATIVE PLANT SPECIES.—The term ‘‘native plant species’’ means any noninvasive, naturally occurring plant species within an ecosystem.

(6) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of the Interior.

(b) AUTHORIZATION OF ASSESSMENT.—Not later than 2 years after the date on which the final methodology is published under subsection (b), the Secretary shall complete a national assessment of—

(1) the quantity of carbon stored in and released from ecosystems, including from managed and natural ecosystems; and

(2) the annual flux of covered greenhouse gases in and out of ecosystems.

(c) COMPONENTS.—In conducting the assessment under subsection (b), the Secretary shall—

(1) determine the processes that control the flux of covered greenhouse gases in and out of each ecosystem;

(2) estimate the potential for increasing carbon sequestration in natural and managed ecosystems through management activities or restoration activities in each ecosystem;

(3) develop near-term and long-term adaptation strategies or mitigation strategies that can be employed—

(A) to enhance the sequestration of carbon in each ecosystem; and

(B) to reduce emissions of covered greenhouse gases from ecosystems; and

(C) to adapt to climate change; and

(4) estimate the annual carbon sequestration capacity of ecosystems under a range of policies in support of management activities to optimize sequestration.

(d) USE OF NATIVE PLANT SPECIES.—In developing adaptation activities under subsection (c)(2) and management strategies and adaptation strategies under subsection (c)(3), the Secretary shall emphasize the use of native plant species (including many native plant species) for sequestering covered greenhouse gas in each ecosystem.

(e) CONSULTATION.—

(1) IN GENERAL.—In conducting the assessment under subsection (b) and developing the methodology under subsection (f), the Secretary shall consult with—

(A) the Secretary of Energy;

(B) the Secretary of Agriculture;

(C) the Administrator of the Environmental Protection Agency;

(D) the Secretary of Commerce, acting through the Under Secretary for Oceans and Atmosphere, and

(E) the heads of other relevant agencies.

(f) METHODOLOGY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a methodology for conducting the assessment.

(2) REQUIREMENTS.—The methodology developed under paragraph (1)—

(A) shall—

(i) determine the method for measuring, monitoring, and quantifying covered greenhouse gas emissions and reductions;

(ii) estimate the total capacity of each ecosystem to sequester carbon; and

(iii) estimate the efficiency of each ecosystem to reduce emissions of covered greenhouse gases through management practices; and

(B) may employ economic and other system models, analyses, and estimates, to be developed in consultation with the individuals described in subsection (e).

(g) ESTIMATE; REVIEW.—The Secretary shall—

(1) based on the assessment, prescribe the data, information, and analysis needed to establish a scientifically sound estimate of the carbon sequestration capacity of relevant ecosystems; and

(2) not later than 180 days after the date on which the assessment is completed, submit to the heads of applicable Federal agencies and the appropriate committees of Congress a report that describes the results of the assessment.

(h) DATA AND REPORT AVAILABILITY.—On completion of the assessment, the Secretary shall incorporate the results of the assessment into a web-accessible database for public use.

(i) AUTHORIZATION.—There is authorized to be appropriated to the Secretary to complete the ability under this section $20,000,000 for the period of fiscal years 2008 through 2012.
SEC. 714. FRAMEWORK FOR GEOLOGICAL CARBON SEQUESTRATION ON PUBLIC LAND.

(a) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on a recommended framework for managing geological carbon sequestration activities on public land.

(b) CONTENT.—The report required by subsection (a) shall include the following:

(1) Recommended criteria for identifying candidate geological sequestration sites in each of the following types of geological settings:
   (A) Operating oil and gas fields.
   (B) Abandoned oil and gas fields.
   (C) Unmineable coal seams.
   (D) Deep saline formations.
   (E) Deep geological systems that may be used as engineered reservoirs to extract and sequester geothermal resources of low permeability or porosity.
   (F) Deep geological systems containing salt formations.
   (G) Coalbeds being used for methane recovery.

(2) A proposed regulatory framework for the leasing of public land or an interest in public land for the long-term geological sequestration of carbon dioxide, which includes an assessment of options to ensure that the United States receives fair market value for the use of public land or an interest in public land for geological sequestration.

(3) A proposed procedure for ensuring that any State’s carbon sequestration activities on public land—
   (A) provide for public review and comment from all interested persons; and
   (B) are consistent with the availability of natural and cultural resources of the public land overlaying a geological sequestration site.

(4) A description of the status of Federal leasing of mineral estate on private, public, or Indian lands, and any issues related to the geological subsurface trespass of or caused by carbon dioxide stored in public land, including any relevant experience with avoiding potential oil recovery using carbon dioxide on public land.

(5) Recommendations for additional legislation that may be required to ensure that public land management and leasing laws are adequate to accommodate the long-term geological sequestration of carbon dioxide.

(6) An identification of the legal and regulatory framework to control carbon dioxide sequestration on land in cases in which title to mineral resources is held by the United States but title to the surface estate is not held by the United States.


(8) Funds needed for additional legislation that may be required to clarify the appropriate framework for issuing rights-of-way for carbon dioxide pipelines on public land.

(c) CONSULTATION WITH OTHER AGENCIES.—In preparing the report under this section, the Secretary of the Interior shall coordinate with—

(1) the Administrator of the Environmental Protection Agency;
(2) the Secretary of Energy; and
(3) the heads of other appropriate agencies.

(d) COMPLIANCE WITH SAFE DRINKING WATER ACT.—The Secretary shall ensure that all recommendations developed under this section are in compliance with all Federal environmental laws, including the Safe Drinking Water Act (42 U.S.C. 300f et seq.) and regulations under that Act.

TITLE VIII—IMPROVED MANAGEMENT OF ENERGY POLICY

Subtitle A—Management Improvements

SEC. 801. NATIONAL MEDIA CAMPAIGN.

(a) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the ‘‘Secretary’’), shall develop and conduct a national media campaign—

(1) to increase energy efficiency throughout the economy of the United States during the 10-year period beginning on the date of enactment of this Act;

(2) to promote the national security benefits associated with increased energy efficiency; and

(3) to decrease oil consumption in the United States during the 10-year period beginning on the date of enactment of this Act.

(b) CONTRACT WITH ENTITY.—The Secretary shall carry out subsection (a) directly or through—

(1) competitively bid contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements;

(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements; or

(3) I N GENERAL.

(4) A description of the status of Federal programs, policies, and practices implemented to reduce oil consumption, in both absolute and relative terms, require deposits of payments, and provide refunds as the Federal Coordinator determines to be appropriate.

(5) AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated $5,000,000 for each of fiscal years 2008 through 2012.

(b) DECREASED OIL CONSUMPTION.—The Secretary shall use not less than 85 percent of funds made available under this section for each fiscal year to develop and conduct a national media campaign to decrease oil consumption in the United States over the next decade.

SEC. 802. ALASKA NATURAL GAS PIPELINE ACT AMENDMENTS

Section 108 of the Alaska Natural Gas Pipeline Act (15 U.S.C. 7204) is amended by adding at the end the following:

‘‘(D) AUTHORITY OF FEDERAL COORDINATOR.—Personnel appointed by the Federal Coordinator under subsection (a) shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.’’

‘‘(B) AUTHORITY OF FEDERAL COORDINATOR.—Personnel appointed by the Federal Coordinator under paragraph (1)(A) shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.’’

‘‘(A) IN GENERAL.—Subject to subparagraph (B), personnel appointed by the Federal Coordinator under paragraph (1)(A) shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code (relating to class and grade in the Federal Service) by the Federal Coordinator, as described in section 304 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734).’’

‘‘(C) ALLOWANCES.—Section 5941 of title 5, United States Code, shall apply to personnel appointed by the Federal Coordinator under paragraph (1)(A).’’

‘‘(B) MAXIMUM LEVEL OF COMPENSATION.—The rate of pay for personnel appointed by the Federal Coordinator under paragraph (1)(A) shall not exceed the maximum level of rate payable for level III of the Executive Schedule (5 U.S.C. 5314).

‘‘(D) TEMPORARY SERVICES.—In general.—The Federal Coordinator may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code.

‘‘(E) MAXIMUM LEVEL OF COMPENSATION.—The level of compensation of an individual employed on a temporary or intermittent basis under paragraph (1) shall not exceed the maximum level of rate payable for level III of the Executive Schedule (5 U.S.C. 5314).

‘‘(F) FEES, CHARGES, AND COMMISSIONS.—In general.—With the duties of the Federal Coordinator, as described in this Act, the Federal Coordinator shall have similar authority to establish, change, and abolish reasonable filing and service fees, charges, and commissions, require deposits of payments, and provide refunds as provided to the Secretary of the Interior in section 304 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734).’’

‘‘(B) AUTHORITY OF SECRETARY OF THE INTERIOR.—Subparagraph (A) shall not affect the authority of the Secretary of the Interior to establish, change, and abolish reasonable filing and service fees, charges, and commissions, require deposits of payments, and provide refunds under sections 104 and 112 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734).’’
(c) USE OF FUNDS.—The Federal Coordinator is authorized to use, without further appropriation, amounts collected under subparagraph (A) to carry out this section.

SEC. 804. COORDINATION OF PLANNED REFINERY OUTAGES.

(a) DEFINITIONS.—In this section:  
(1) ADMINISTRATOR.—The term “Administrator” means the Energy Information Administration.  
(2) PLANNED REFINERY OUTAGE.—In this section:  
(A) The term “planned refinery outage” means a period of time during which a refinery is removed from service, for a specified time interval, for repair or modification, or for a specified time interval, for a period of time, to perform maintenance, repair, or modification.

(b) NON-FEDERAL SHARE.—In the case of a refinery outage that the Administrator determines is necessary to enhance the ability of the Administrator to collect and process energy information in a manner consistent with the needs of energy markets, the Administrator shall, upon a finding of the Administrator that the refinery outage is necessary to carry out this section:  
(1) establish guidelines to ensure the quality, comparability, and scope of State energy data;  
(2) share company-level data collected at the Federal level with each State involved, in a manner consistent with the legal authorities of the Secretary of Labor, confidentiality protections, and stated uses in effect at the time the data were collected.  

(c) AUTHORITY.—In general. —The Administrator shall, upon a finding of the Administrator that the refinery outage is necessary to carry out this section:  
(1) establish guidelines to ensure the quality, comparability, and scope of State energy data;  
(2) share company-level data collected at the Federal level with each State involved, in a manner consistent with the legal authorities of the Secretary of Labor, confidentiality protections, and stated uses in effect at the time the data were collected.  

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Federal Fund:  
(1) the Administrator shall submit to Congress an assessment of State-level data needs, including a plan to address any data quality and quantity issues in conjunction with State officials.  

(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts made available to the Administrator, there are authorized to be appropriated:  
(1) the United States has a quantity of refined petroleum product from coal-based energy-producing facilities and related financial operations.

SEC. 805. ASSESSMENT OF RESOURCES.

(a) 5-YEAR PLAN.—(1) The Administrator of the Energy Information Administration (referred to in this section as the “Administrator”) shall establish a 5-year plan to enhance the quality and scope of the data collected necessary to ensure the scope, accuracy, and timeliness of the information needed for efficient functioning of energy markets and related financial operations.

(b) ADMINISTRATOR.—(A) The term “Administrator” means the Energy Information Administration.  
(B) The term “planned refinery outage” means a period of time during which a refinery is removed from service, for a specified time interval, for repair or modification, or for a specified time interval, for a period of time, to perform maintenance, repair, or modification.

(c) EXCLUSION.—The term “planned refinery outage” does not include any necessary and unplanned removal of a refinery, or any unit of a refinery, from service as a result of a component failure, safety hazard, emergency, or action reasonably anticipated to be necessary to prevent such events.

(d) ELIGIBLE APPLICANT.—The term “eligible applicant” means:  
(G) Regional Corporation (as defined in section 5 of the American Indian Claims Settlement Act (42 U.S.C. 1602)).

(e) CRITERIA.—The Secretary shall set forth criteria for use in determining the eligibility of applicants.

(f) A PPLICATION.—An application at such time, in such manner, and containing such information as the Secretary may require, including a written assurance that:  
(A) all laborers and mechanics employed by contractors or subcontractors during construction or repair that is financed, in whole or in part, by a grant under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40, United States Code; and  
(B) the Secretary of Labor shall, with respect to the labor standards described in this paragraph, have the authority and functions set forth in Reorganization Plan Number 14 of 1959 (63 Stat. 1437; 29 U.S.C. App.) and section 3145 of title 40, United States Code.

(g) NON-FEDERAL SHARE.—Each eligible applicant that receives a grant under this subsection may credit to the total cost of the renewable energy project constructed by the eligible applicant an amount not less than 50 percent of the total cost of the project.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Federal Fund:  
(1) the United States has a quantity of refined petroleum product from coal-based energy-producing facilities and related financial operations.
(2) the agricultural, forestry, and working land of the United States can help ensure a sustainable domestic energy system;
(3) accelerated development and use of renewable technologies and infrastructure technologies would help the United States meet rapidly growing domestic and global energy demands, reduce the dependence of the United States on energy imported from volatile regions of the world that are politically unstable, stabilize the cost and availability of energy, and safeguard the economy and security of the United States;
(4) increased energy production from domestic renewable resources would attract substantial new investments in energy infrastructure, create economic growth, develop new jobs for the citizens of the United States, and increase the income for farm, ranch, and forestry jobs in the rural regions of the United States;
(5) increased energy production from domestic renewable resources would attract substantial new investments in energy infrastructure, create economic growth, develop new jobs for the citizens of the United States, and increase the income for farm, ranch, and forestry jobs in the rural regions of the United States;
(6) increased use of renewable energy is practical and can be cost effective with the implementation of supportive policies and proper incentives to stimulate markets and infrastructure; and
(7) public policies aimed at enhancing renewable energy production and accelerating technological improvements will further reduce energy costs over time and increase market demand.

(b) SIMPEL OF CONGRESS.—It is the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should—
(1) provide from renewable resources not less than 25 percent of the total energy consumed in the United States; and
(2) continue to produce safe, abundant, and affordable food, feed, and fiber.

SEC. 807. GEOTHERMAL ASSESSMENT, EXPLORATION INFORMATION, AND PRIORITY ACTIVITIES.

(a) IN GENERAL.—Not later than January 1, 2012, the Secretary of the Interior, acting through the Director of the United States Geological Survey, shall—
(1) complete a comprehensive nationwide geothermal resource assessment that examines the full range of geothermal resources in the United States; and
(2) submit to the Committee on Natural Resources of the House of Representatives a report describing the results of the assessment.

(b) PERIODIC UPDATES.—Not less than every 10 years, the Secretary shall update the national assessment required under this section to support public and private sector decisionmaking.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Interior to carry out this section—
(1) $15,000,000 for each of fiscal years 2008 through 2012; and
(2) such sums as are necessary for each of fiscal years 2013 through 2022.

Subtitle B—Prohibitions on Market Manipulation and False Information

SEC. 811. PROHIBITION ON MARKET MANIPULATION.

It is unlawful for any person, directly or indirectly, to use or employ, in connection with the purchase or sale of crude oil or petroleum distillates at wholesale, any manipulative or deceptive device or contrivance, in contravention of such rules and regulations as the Federal Trade Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to manipulate or attempting to manipulate or to work on or develop a scheme or plan to manipulate the price of any commodity futures contract or commodity option contract.

SEC. 812. PROHIBITION ON FALSE INFORMATION.

It is unlawful for any person to report information related to the wholesale price of crude oil gasoline or petroleum distillates to a Federal department or agency if—
(1) the person knew, or reasonably should have known, the information to be false or misleading; and
(2) the information was required by law to be reported; and
(3) the person intended the false or misleading data to be data compiled by the department or agency for statistical or analytical purposes with respect to the market for crude oil, gasoline, or petroleum distillates.

SEC. 813. ENFORCEMENT BY THE FEDERAL TRADE COMMISSION.

(a) ENFORCEMENT.—This subtitle shall be enforced by the Federal Trade Commission in the same manner, by the same means, and with the same jurisdiction as though all applicable terms of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this subtitle.

(b) VIOLATION IS TREATED AS UNFAIR OR DECEPTIVE.—A violation of or attempt to violate any provision of this subtitle shall be considered a separate violation; and
(c) MULTIPLE OFFENSES; MITIGATING FACTORS.—In assessing the penalty provided by subsection (a)—
(1) each day of a continuing violation shall be considered a separate violation; and
(2) the court shall take into consideration, among other factors—
(A) the seriousness of the violation; and
(B) the effect of the violation on the person committing the violation to remedy the harm caused by the violation in a timely manner.

SEC. 815. EFFECT ON OTHER LAWS.

(a) OTHER AUTHORITY OF THE COMMISSION.—Nothing in this subtitle limits or affects the authority of the Federal Trade Commission to bring an enforcement action or take any other measure under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) or any other provision of law.

(b) ANTITRUST LAW.—Nothing in this subtitle shall be construed to overrule, impair, or supersede the operation of any of the antitrust laws. For purposes of this subsection, the term “antitrust laws” shall have the meaning given it in section 5 of the Clayton Act (15 U.S.C. 12), except that it includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that subparagraph (b) applies to unfair methods of competition.

(c) STATE LAW.—Nothing in this subtitle preempts any State law.

TITLE IX—INTERNATIONAL ENERGY PROGRAMS

SEC. 901. DEFINITIONS.

In this title—
(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—
(A) the Committee on Foreign Affairs and the Committee on Energy and Commerce of the House of Representatives; and
(B) the Committee on Foreign Relations, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works of the Senate, and the Committee on Commerce, Science, and Transportation.

(2) CLEAN AND EFFICIENT ENERGY TECHNOLOGY.—The term “clean and efficient energy technology” means an energy supply or technology that, compared to a similar technology already in widespread commercial use in a recipient country, will—
(A) reduce emissions of greenhouse gases; or
(B) increase efficiency of energy production; or
(ii) reduce intensity of energy usage.

Subtitle A—Assistance to Promote Clean and Efficient Energy Technologies in Foreign Countries

SEC. 911. UNITED STATES ASSISTANCE FOR DEVELOPING COUNTRIES.

(a) ASSISTANCE AUTHORIZED.—The Administrator of the United States Agency for International Development shall support policies and programs in developing countries that promote clean and efficient energy technologies—
(1) to produce the necessary market conditions for the private sector delivery of energy and environmental management services;
(2) to create an environment that is conducive to accepting clean and efficient energy technologies that support the overall purpose of reducing greenhouse gas emissions, including—
(A) improving policy, legal, and regulatory frameworks;
(B) increasing institutional abilities to provide energy and environmental management services; and
(C) increasing public awareness and participation in the decision-making of delivering energy and environmental management services; and
(3) to promote the use of American-made clean and efficient energy technologies, products, and energy and environmental management services.

(b) REPORT.—The Administrator of the United States Agency for International Development shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) AUTHORIZATION OF APPROPRIATIONS.—To carry out this title, there are authorized to be appropriated to the Administrator of the United States Agency for International Development $200,000,000 for each of the fiscal years 2008 through 2012.

SEC. 912. UNITED STATES EXPORTS AND OUTREACH PROGRAMS FOR INDIA, CHINA, AND OTHER COUNTRIES.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Commerce determines appropriate, to become more familiar with the available technologies—
SEC. 913. UNITED STATES TRADE MISSIONS TO ENCOURAGE PRIVATE SECTOR TRADE AND INVESTMENT.

(a) Authorization. — The Secretary of Commerce shall direct the International Trade Administration to expand or create trade missions to and from the United States; vigorous support private sector trade and investment in clean and efficient energy technologies—

(1) by organizing and facilitating trade missions to foreign countries and by matching United States private sector companies with opportunities in foreign markets so that efficient and clean-energy technologies can help to combat increases in global greenhouse gas emissions; and

(2) by creating reverse trade missions in which the Department of Commerce facilitates opportunities for private foreign and public sector organizations with private sector companies in the United States for the purpose of showcasing clean and efficient energy technologies in use or in development that could be exported to other countries.

(b) Report. — The Secretary of Commerce shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) Authorization of Appropriations. — To carry out this section, there are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary for each of the fiscal years 2008 through 2012.

SEC. 914. ACTIONS BY OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) Sense of Congress. — It is the sense of Congress that the Overseas Private Investment Corporation should promote greater investment in clean and efficient energy technologies in developing countries—

(1) proactively reaching out to United States companies that are interested in investing in clean and efficient energy technologies in countries that are significant contributors to global greenhouse gas emissions;

(2) giving preferential treatment to the evaluation and awarding of projects that involve the investment or utilization of clean and efficient energy technologies; and

(3) providing greater flexibility in supporting projects that involve the investment or utilization of clean and efficient energy technologies, including financing, insurance, and other assistance.

(b) Report. — The Overseas Private Investment Corporation shall include in its annual report required under section 240A of the Foreign Assistance Act of 1961 (22 U.S.C. 2201a) a description of the activities carried out to implement this section; or

(2) if the Corporation did not carry out any activities to implement this section, an explanation of the reasons therefor.

SEC. 915. ACTIONS BY UNITED STATES TRADE AND DEVELOPMENT AGENCY.

(a) Assistance Authorized. — The Director of the Trade and Development Agency shall establish or support policies that—

(1) proactively seek opportunities to fund projects that involve the utilization of clean and efficient energy technologies, including in trade capacity building and capital investment projects;

(2) where appropriate, advance the utilization of clean and efficient energy technologies, particularly in countries that have the potential for significant reduction in greenhouse gas emissions; and

(3) recruit and retain individuals with appropriate expertise or experience in clean, renewable, and efficient energy technologies to identify and evaluate opportunities for projects that involve clean and efficient energy technologies on an international and regional basis.

(b) Report. — The President shall include in the annual report on the activities of the Trade and Development Agency required under section 661(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(d)) a description of the activities carried out to implement this section.
accordance with the requirements of paragraph (1).

(d) Report.—

(1) IN GENERAL.—Not later than 3 years after the date of submission of the strategy under subsection (c)(1), and every 3 years thereafter, the President shall transmit to the appropriate congressional committees a report on the implementation of this section for the prior 3-year period.

(2) MATTERS TO BE INCLUDED.—The report required under paragraph (1) shall include the following:

(A) The update of the strategy required under subsection (c)(2) and a description of the actions taken by the Task Force to assist in the implementation of the strategy.

(B) A description of actions taken by the Task Force to carry out the duties required under subsection (c)(3).

(C) A description of assistance provided under this section.

(D) The results of programs, projects, and activities carried out under this section.

(E) A description of priorities for promoting the diffusion and adoption of clean and efficient energy technologies and strategies in developing countries, taking into account economic and security interests of the United States and opportunities for the export of the United States.

(F) Recommendations to the heads of appropriate Federal departments and agencies on methods to streamline Federal programs and policies to further implement the international cooperation of Federal departments and agencies in the development, demonstration, and deployment of clean and efficient energy technologies on an international basis.

(G) Strategies to integrate representatives of the private sector and other interested groups on the export and deployment of clean and efficient energy technologies.

(H) A description of programs to disseminate information to the private sector and the public on clean and efficient energy technologies and opportunities to transfer such clean and efficient energy technologies.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through 2020.

SEC. 917. UNITED STATES-ISRAEL ENERGY COOPERATION.

(a) FINDINGS.—Congress finds that—

(1) it is in the highest national security interests of the United States to develop renewable energy sources;

(2) the State of Israel is a steadfast ally of the United States;

(3) the special relationship between the United States and Israel is manifested in a variety of cooperative scientific research and development programs, such as—

(A) the United States-Israel Binational Science Foundation; and

(B) the United States-Israel Binational Industrial Research and Development Foundation; and

(4) these programs have made possible many scientific, technological, and commercial breakthroughs in the fields of life sciences, medicine, bioengineering, agriculture, biotechnology, communications, and others;

(5) on February 1, 1996, the Secretary of Energy (referred to in this section as the “Secretary”) and the Israeli Minister of Energy and Infrastructure signed an agreement to establish a framework for collaboration between the United States and Israel in energy research and development activities; and

(6) Israeli scientists and engineers are at the forefront of research and development in the field of renewable energy sources; and

(7) the relationship between the United States and Israel for the purpose of research and development of renewable energy sources would be in the national interests of both countries.

(b) GRANT PROGRAM.—

(1) ESTABLISHMENT.—In implementing the agreement entitled the “Agreement between the Department of Energy of the United States of America and the Ministry of Energy and Infrastructure of Israel Concerning Energy Cooperation”, dated February 1, 1996, the Secretary shall establish a grant program in accordance with the requirements of sections 988 and 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352, 16353) to support research, development, demonstration, and deployment of renewable energy or energy efficiency.

(2) TYPES OF ENERGY.—In carrying out paragraph (1), the Secretary may make grants to promote—

(A) solar energy;

(B) biomass energy;

(C) energy efficiency;

(D) wind energy;

(E) geothermal energy;

(F) wave and tidal energy; and

(G) advanced battery technology.

(3) ELIGIBLE APPLICANTS.—An applicant shall be eligible to receive a grant under this subsection if the project of the applicant—

(A) addresses a requirement in the area of improved energy efficiency or renewable energy sources, as determined by the Secretary; and

(B) is a joint venture between—

(i) a for-profit business entity, academic institution, National Laboratory (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801), or nonprofit entity in the United States; and

(ii) the Government of Israel; or

(iii) 1 shall be selected from a list of nominees provided by the United States-Israel Bi-national Science Foundation; and

(C) is a joint venture between—

(i) a for-profit business entity, academic institution, or nonprofit entity in Israel; or

(ii) the Government of Israel; and

(D) is a joint venture between—

(i) a for-profit business entity, academic institution, or nonprofit entity in the United States; and

(ii) a Government of Israel.

(4) APPLICATIONS.—To be eligible to receive a grant under this subsection, an applicant shall submit to the Secretary an application for the grant in accordance with procedures established by the Secretary, in consultation with the advisory board established under paragraph (5).

(5) ADVISORY BOARD.—

(A) ESTABLISHMENT.—The Secretary shall establish an advisory board—

(i) to monitor the progress by which grants are awarded under this subsection; and

(ii) to provide to the Secretary periodic performance reviews of actions taken to carry out this subsection.

(B) COMPOSITION.—The advisory board established under subparagraph (A) shall be composed of 3 members, to be appointed by the Secretary, of whom—

(1) shall be a representative of the Federal Government;

(2) shall be selected from a list of nominees provided by the United States-Israel Bi-national Science Foundation; and

(3) shall be selected from a list of nominees provided by the United States-Israel Bi-national Industrial Research and Development Foundation.

(6) CONTRIBUTED FUNDS.—Notwithstanding section 3302 of title 31, United States Code, the following amounts are appropriated:—

(A) the amounts contributed by any person, government entity, or organization for purposes of carrying out this subsection;

(B) without fiscal year limitation.

(7) REPORT.—Not later than 180 days after the date of completion of a project for which a grant is made pursuant to this subsection, the grant recipient shall submit to the Secretary a report that contains—

(A) a description of the method by which the recipient used the grant funds; and

(B) an evaluation of the level of success of each project funded by the grant.

(8) CLASSIFICATION.—Grants shall be awarded under this subsection only for projects that are considered to be unclassified by both the United States and Israel.

(b) TERMINATION.—The grant program and the advisory committee established under this section shall terminate on the date that is 7 years after the date of enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall make amounts necessary to be appropriated under section 931 of the Energy Policy Act of 2005 (42 U.S.C. 16351) to carry out this section.

Subtitle B—International Clean Energy Foundation

SEC. 921. DEFINITIONS.

In this subtitle—

(1) BOARD.—The term “Board” means the Board of Directors of the Foundation established pursuant to section 922(c).

(2) CHIEF EXECUTIVE OFFICER.—The term “Chief Executive Officer” means the chief executive officer of the Foundation appointed pursuant to section 922(b).

(3) FOUNDATION.—The term “Foundation” means the International Clean Energy Foundation established by section 922(a).

SEC. 922. ESTABLISHMENT AND MANAGEMENT OF FOUNDATION.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established in the executive branch a foundation to be known as the “International Clean Energy Foundation” that shall be responsible for carrying out the provisions of this subtitle. The Foundation shall be a government corporation, as defined in section 103 of title 5, United States Code.

(2) BOARD OF DIRECTORS.—The Foundation shall be governed by a Board of Directors in accordance with subsection (c).

(3) INTENT OF CONGRESS.—It is the intent of Congress, in establishing the structure of the Foundation set forth in this subsection, to create an entity that serves the long-term foreign policy and energy security goals of reducing global greenhouse gas emissions.

(b) CHIEF EXECUTIVE OFFICER.—

(1) IN GENERAL.—There shall be in the Foundation a Chief Executive Officer who shall be responsible for the management of the Foundation.

(2) APPOINTMENT.—The Chief Executive Officer shall be appointed by the Board, with the advice and consent of the Senate, and shall be a recognized leader in clean and efficient energy technologies and climate change and shall have experience in energy security, business, or foreign policy, chosen on the basis of a rigorous process.

(3) RELATIONSHIP TO BOARD.—The Chief Executive Officer shall report to, and be under the direct authority of, the Board.

(4) COMPENSATION AND RANK.—

(A) IN GENERAL.—The Chief Executive Officer shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(B) AMENDMENT.—Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new subdivision—

“Chief Executive Officer. International Clean Energy Foundation.”

(C) AUTHORITIES AND DUTIES.—The Chief Executive Officer shall be responsible for the management of the Foundation and shall exercise the powers and discharge the duties of the Foundation.

(5) AUTHORITY TO APPOINT OFFICERS.—In consultation and with the approval of the Board, the Chief Executive Officer shall appoint all officers of the Foundation.

(c) BOARD OF DIRECTORS.

(1) ESTABLISHMENT.—There shall be in the Foundation a Board of Directors.
(2) DUTIES.—The Board shall perform the functions specified to be carried out by the Board in this subtitle and may prescribe, amend, and repeal bylaws, rules, regulations, and procedures governing the Board. The Board may determine and prescribe the manner in which the business of the Foundation may be conducted and in which the powers granted to it by law may be exercised.

MEMBERSHIP.—The Board shall consist of—

(A) the Secretary of State (or the Secretary’s designee), the Secretary of Energy (or the Secretary’s designee), and the Administrator of the United States Agency for International Development (or the Administrator’s designee); and

(B) four other individuals with relevant experience in matters relating to energy security (such as individuals who represent institutions of energy security, business organizations, educational institutions, foreign policy organizations, or other relevant organizations) who shall be appointed by the President, by and with the advice and consent of the Senate, of whom—

(i) one individual shall be appointed from among a list of individuals submitted by the majority leader of the House of Representatives; and

(ii) one individual shall be appointed from among a list of individuals submitted by the minority leader of the House of Representatives; and

(iii) one individual shall be appointed from among a list of individuals submitted by the majority leader of the Senate; and

(iv) one individual shall be appointed from among a list of individuals submitted by the minority leader of the Senate.

(4) CHIEF EXECUTIVE OFFICER.—The Chief Executive Officer of the Foundation shall serve as a nonvoting, ex officio member of the Board.

(5) TERMS.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—Each member of the Board described in paragraph (3)(A) shall serve for a term that is concurrent with the term of service of the individual’s position as an officer within the other Federal department or agency.

(B) OTHER MEMBERS.—Each member of the Board described in paragraph (3)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 3 years.

(C) VACANCIES.—A vacancy in the Board shall be filled in the manner in which the original member was appointed.

(D) ACTING MEMBERS.—An acting vacancy in the Board may be filled with an appointment of an acting member by the Chairperson of the Board, or in the absence of the Chairperson, by a majority of the Board.

(6) CHAIRPERSON.—There shall be a Chairperson of the Board. The Secretary of State (or the Secretary’s designee) shall serve as the Chairperson.

(7) QUORUM.—A majority of the members of the Board described in paragraph (3) shall constitute a quorum, which, except with respect to a meeting of the Board during the 125-day period beginning on the date of the enactment of this Act, shall include at least 1 member of the Board described in paragraph (3)(B).

(8) MEETINGS.—The Board shall meet at the call of the Chairperson, who shall call a meeting no less than once a year.

(9) COMPENSATION.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—

(i) IN GENERAL.—A member of the Board described in paragraph (3)(A) may not receive additional pay, allowances, or benefits by reason of service on the Board.

(ii) TRAVEL EXPENSES.—Each such member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subsection I of chapter 57 of title 5, United States Code.

(B) OTHER MEMBERS.—

(i) IN GENERAL.—Except as provided in clause (ii), a member of the Board described in paragraph (3)(B) shall be compensated out of funds made available for the purposes of this subtitle at the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code (or, if the member is away from the member’s home or regular place of business on necessary travel during the actual performance of duties as a member of the Board, travel time) during which the member is engaged in the actual performance of duties as a member of the Board.

(ii) LIMITATION.—A member of the Board may not be paid compensation under clause (i)(II) for more than 90 days in any calendar year.

SEC. 923. POWERS OF THE FOUNDATION; RELATED PROVISIONS.

(a) POWERS.—The Foundation—

(1) shall have perpetual succession unless dissolved by a law enacted after the date of the enactment of this Act;

(2) may adopt, alter, and use a seal, which shall be judicially noticed;

(3) may make and perform such contracts, grants, and other agreements with any person or government however designated and wherever situated, as may be necessary for carrying out the functions of the Foundation;

(4) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation;

(5) may lease, purchase, or otherwise acquire, improve, and use such real property wherever situated, as may be necessary for carrying out the functions of the Foundation;

(6) may accept money, funds, services, or property (real, personal, or mixed), tangible or intangible, made available by gift, bequest, grant, or otherwise for the purpose of carrying out the provisions of this title from domestic or foreign private individuals, charities, nongovernmental organizations, corporations, or governments;

(7) may use the United States mails in the same manner and on the same conditions as executive departments of the Federal Government;

(8) may contract with individuals for personal services, which shall not be considered Federal employee for any provision of law administered by the Office of Personnel Management;

(9) may hire or obtain passenger motor vehicles; and

(10) may have such other powers as may be necessary and incident to carrying out this subtitle.

(b) PRINCIPAL OFFICE.—The Foundation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

(c) APPLICABILITY OF GOVERNMENT CORRUPTION CONTROL ACT.—

(1) IN GENERAL.—The Foundation shall be subject to chapter 91 of title 31, United States Code, except that the Foundation shall not be authorized to issue obligations or offer obligations to the public.

(2) CONFORMING AMENDMENT.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

“(R) the International Clean Energy Foundation.”;

(d) INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of State shall serve as Inspector General of the Foundation, and, in acting in such capacity, may conduct reviews, investigations, and audits of all aspects of the operations and activities of the Foundation.
(2) AUTHORITY OF THE BOARD.—In carrying out the responsibilities under this subsection, the Inspector General shall report to and be under the general supervision of the Board.

(3) REIMBURSEMENT AND AUTHORIZATION OF SERVICES.—

(A) REIMBURSEMENT.—The Foundation shall reimburse any person for all expenses incurred by the Inspector General in connection with the Inspector General’s responsibilities under this subsection.

(B) AUTHORIZATION OF SERVICES.—Of the amount authorized to be appropriated under section 927(a) for a fiscal year, up to $500,000 is authorized to be made available to the Inspector General of the Department of State to conduct reviews, investigations, and inspections of operations and activities of the Foundation.

SEC. 926. GENERAL PERSONNEL AUTHORITIES.

(a) DETAIL OF PERSONNEL.—Upon request of the Chief Executive Officer, the head of an agency may detail any employee of such agency to the Foundation on a reimbursable basis. Any employee so detailed remains, for the purpose of preserving such employee’s allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(b) REEMPLOYMENT RIGHTS.—

(1) IN GENERAL.—An employee of an agency who is serving under a career or career-conditional appointment (or the equivalent), and who, with the consent of the head of such agency, transfers to the Foundation, is entitled to be reemployed in such employee’s former position or a position of like seniority, status, and pay in such agency, if such employee—

(A) is separated from the Foundation for any reason, other than misconduct, neglect of duty, or malfeasance; and

(B) applies for reemployment not later than 90 days after the date of separation from the Foundation.

(2) SPECIFIC RIGHTS.—An employee who satisfies paragraph (1) is entitled to be reemployed (in accordance with such paragraph) within 30 days after applying for reemployment and, on reemployment, is entitled to at least the rate of basic pay to which such employee would have been entitled had such employee never transferred.

(c) HIRING AUTHORITY.—Of persons employed by the Foundation, no more than 30 persons shall be compensated, compensated, or removed without regard to the civil service laws and regulations.

(d) BASIC PAY.—The Chief Executive Officer may set the basic pay of employe- es of the Foundation without regard to the provisions of chapter 51 of title 5, United States Code (relating to the classification of positions), subchapter III of chapter 53 of such title (relating to General Schedule pay rates), except that no employee of the Foundation may receive a rate of basic pay that exceeds level IV of the Executive Schedule under section 5315 of such title.

(e) DEFINITIONS.—In this section—

(1) the term ‘agency’ means an executive agency, as defined by section 105 of title 5, United States Code; and

(2) the term ‘detail’ means the assignment or loan of an employee, without a change of position, from the agency by which such employee is employed to the Foundation.

SEC. 927. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—To carry out this subtitle, there are authorized to be appropriated $20,000,000 for each of the fiscal years 2009 through 2013.

(b) USE OF APPROPRIATIONS.—

(1) IN GENERAL.—The Foundation may allocate or transfer to any agency of the United States Government any of the funds available for carrying out this subtitle. Such funds shall be available for obligation and expenditure for the purposes for which the funds were authorized, in accordance with the authority granted in this subtitle or under authority governing the activities of the United States Government agency to which such funds are allocated or transferred.

(2) NOTIFICATION.—The Foundation shall notify the appropriate congressional committees not less than 15 days prior to an allocation or transfer of funds pursuant to paragraph (1).

Subtitle C—Miscellaneous Provisions

SEC. 931. ENERGY DIPLOMACY AND SECURITY WITHIN THE DEPARTMENT OF STATE.

(a) STATE DEPARTMENT COORDINATOR FOR INTERNATIONAL ENERGY AFFAIRS.—

(1) IN GENERAL.—The Secretary of State shall ensure that energy security is integrated into the core mission of the Department of State.

(2) COORDINATOR FOR INTERNATIONAL ENERGY AFFAIRS.—There is established within the Office of the Secretary of State a Coordinator for International Energy Affairs, who shall be responsible for the following:

(A) representing the Secretary of State in interagency efforts to develop the international energy policy of the United States;

(B) ensuring that analyses of the national security implications of global energy and environmental developments are reflected in the decision-making process within the Department of State; and

(C) incorporating energy security priorities into the activities of the Department of State:

(i) coordinating energy activities of the Department of State with relevant Federal agencies; and

(ii) coordinating energy security and other relevant functions within the Department of State currently undertaken by offices within—

(I) the Bureau of Energy Resources; and

(II) other offices within the Department of State.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(b) ENERGY EXPERTS IN KEY EMBASSIES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the Committees on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that includes—

(1) a description of the Department of State personnel who are dedicated to energy matters and are stationed at embassies and consulates in countries that are major energy producers or consumers;

(2) an analysis of the need for Federal energy specialist personnel in United States embassies and other United States diplomatic missions; and

(3) recommendations for increasing energy expertise within United States embassies abroad if these embassies and consulates in countries that are major energy producers or consumers;

(4) the adequacy of the capabilities of the United States to protect energy security of the United States, including an evaluation of the balance among the capabilities of all elements of the national authority of the United States to support the implementation of the national energy security strategy; and

(5) such other information as the President deems necessary to be included in the report to Congress on matters relating to the national energy security of the United States.
SEC. 934. CONVENTION ON SUPPLEMENTARY COMPENSATION FOR NUCLEAR DAMAGE. CONVENTION CONTINGENT COST ALLOCATION.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) (commonly known as the ‘‘Price-Anderson Act’’);

(i) provides a predictable legal framework necessary for nuclear projects; and

(ii) ensures prompt and equitable compensation in the event of a nuclear incident in the United States;

(B) the Price-Anderson Act, in effect, provides operators of nuclear powerplants with insurance for damage arising out of a nuclear incident and funds the insurance primarily through the assessment of a retrospective premium from each operator after the occurrence of a nuclear incident; and

(C) the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997, will establish a global system for nuclear damage.

(2) PURPOSE.—The purpose of this section is to allocate the contingent costs associated with participation by the United States in the international nuclear liability compensation system established by the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997—

(A) with respect to a Price-Anderson incident, by using funds made available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) to cover the contingent costs incurred by a nuclear supplier in the United States that is not a Price-Anderson incident, taking into account risk factors such as—

(i) upset settled expectations based on the liability regime established under the Price-Anderson Act; or

(ii) shift to Federal taxpayers liability risks from nuclear incidents at foreign installations;

(B) with respect to a Price-Anderson incident, funds already available under the Price-Anderson Act;

(C) with respect to a nuclear incident outside the United States that is not a Price-Anderson incident, taking into account risk factors such as—

(i) the Commonwealth of Puerto Rico;

(ii) any other territory or possession of the United States; and

(iii) the Canal Zone; and

(D) funds under the Atomic Energy Act (42 U.S.C. 2014).

(b) AMOUNT.—The amount of such payment shall be such amount as the Secretary determines is necessary for nuclear projects; and

(c) USE OF PRICE-ANDERSON FUNDS.—

(1) IN GENERAL.—Funds made available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) shall be used to cover the contingent cost resulting from any Price-Anderson incident.

(2) EFFECT.—The use of funds pursuant to paragraph (1) shall not reduce the limitation on public liability established under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210).

(d) EFFECT ON AMOUNT OF PUBLIC LIABILITY.—

(1) IN GENERAL.—Funds made available under the Price-Anderson Act under Article VII of the Convention with respect to a Price-Anderson incident shall be utilized to cover the contingent liability resulting from the Price-Anderson incident.

(2) AMOUNT.—The amount of public liability allowable under section 170(e) of the Atomic Energy Act of 1954 (42 U.S.C. 2210) relating to a Price-Anderson incident under paragraph (1) shall be increased by an amount equal to the difference between—

(A) the amount of funds made available for the Price-Anderson incident under Article VII of the Convention; and

B) the amount of funds used under subsection (c) to cover the contingent cost resulting from the Price-Anderson incident.

(e) RETROSPECTIVE RISK POOLING PROGRAM.—

(1) IN GENERAL.—Except as provided under paragraph (2), each nuclear supplier shall participate in a retrospective risk pooling program in accordance with this section to cover the contingent cost resulting from a covered incident outside the United States that is not a Price-Anderson incident.

(2) PREPARED PAYMENT.—

(A) IN GENERAL.—The obligation of a nuclear supplier to participate in the retrospective risk pooling program shall be deferred for every 5 years thereafter, unless the United States shall, by agreement, provide funds pursuant to Article VII of the Convention with respect to a covered incident that is not a Price-Anderson incident.

(B) FUNDING.—

The amount of a deferred payment of a nuclear supplier under subparagraph (A) shall be based on the risk-informed assessment formula determined under subparagraph (C).

(C) RISK-INFORMED ASSESSMENT FORMULA.—

(i) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, and every 5 years thereafter, the Secretary shall, by regulation, determine the risk-informed assessment formula for the allocation among nuclear suppliers of the contingent cost resulting from a covered incident that is not a Price-Anderson incident, taking into account risk factors such as—

(I) the nature and intended purpose of the goods and services supplied by such nuclear supplier to each covered installation outside the United States;

(II) the quantity of the goods and services supplied by such nuclear supplier to each covered installation outside the United States; and

(III) the hazards associated with the supply of goods and services to the goods and services fail to achieve the intended purpose;
(iv) the hazards associated with the covered installation outside the United States to which the goods and services are supplied; 
(v) the legal, regulatory, and financial infrastructure governing that installation; and the covered installation outside the United States to which the goods and services are supplied; and 
(vi) the hazards associated with particular forms of supply.

(ii) FACTORS FOR CONSIDERATION.—In determining the formula, the Secretary may—

(I) exclude—

(a) goods and services with negligible risk; 

(b) classes of goods and services not intended specifically for use in a nuclear installation; 

(cc) a nuclear supplier with a de minimis share of the contingent cost; and 

(dd) no longer in existence for which there is no identifiable successor; and 

(II) establish the period on which the risk assessment is based.

(iii) APPLICATION.—In applying the formula, the Secretary shall not consider any covered installation or transportation for which funds would be available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210).

(iv) REPORT.—Not later than 5 years after the date of enactment of this Act, and every 5 years thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on whether there is a need for continuation or amendment of this section, taking into account the effects of the implementation of this section on the United States nuclear industry and suppliers.

(g) EFFECT ON LIABILITY.—Nothing in this section shall be construed to limit, modify, impair, or otherwise affect, or to repeal or void, any provision of law relating to nuclear liability or nuclear insurance, including the legal, regulatory, and financial infrastructure governing that installation; and 

(ii) the financial and operational burden on a Commission licensee in complying with section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section.

(ii) REQUIREMENT.—The Secretary may take appropriate action to recover from the nuclear supplier:

(A) the amount of the payment due from the nuclear supplier; 

(B) any applicable interest on the payment; and 

(C) a penalty of not more than twice the amount of the deferred payment due from the nuclear supplier.

(i) LIMITATION ON JUDICIAL REVIEW; CAUSE OF ACTION.—

(1) IN GENERAL.—Amounts paid into the United States Treasury under paragraph (2) shall not provide to an operator of a covered installation any right of recourse under the Convention.

(2) USE OF FUNDS.—

(A) IN GENERAL.—Amounts paid into the United States Treasury under paragraph (2) shall not provide to an operator of a covered installation any right of recourse under the Convention.

(B) any applicable interest on the payment; and 

(C) a penalty of not more than twice the amount of the deferred payment due from the nuclear supplier.

(D) LIMITATION ON JUDICIAL REVIEW; CAUSE OF ACTION.—

(i) IN GENERAL.—The Secretary may collect information necessary for developing and implementing the formula for calculating the deferred payment from a nuclear supplier under subsection (e)(2).

(ii) PROVISION OF INFORMATION.—Each nuclear supplier and other appropriate persons shall make available to the Secretary such information, reports, records, documents, and other data as the Secretary determines, by regulation, to be necessary or appropriate to develop and implement the formula under subsection (e)(2).

(iii) PRIVATIZATION.—The Secretary shall—

(A) notify nuclear suppliers, and insurers of nuclear suppliers, information to support the voluntary establishment and maintenance of private insurance against any risk for which nuclear suppliers may be required to pay deferred payments under this section.

(B) EFFECT ON LIABILITY.—Nothing in any other law (including regulations) limits liability for a covered incident to an amount equal to or less than the amount prescribed in paragraph (a) of Article IV of the Convention, unless:

(1) specifically refers to this section; and 

(2) explicitly repeals, alters, amends, modifies, impairs, displaces, or supersedes the effect of this subsection.

(h) PAYMENTS TO AND BY THE UNITED STATES.—

(i) ACTION BY NUCLEAR SUPPLIERS.—

(A) NOTIFICATION.—In the case of a request for funds under Article VII of the Convention resulting from a covered incident that is not a Price-Anderson incident, the Secretary shall notify each nuclear supplier of the amount of the deferred payment required to be made by the nuclear supplier.

(B) USE OF FUNDS.—

(i) IN GENERAL.—Except as provided under clause (i), not later than 60 days after receipt of a notification under subparagraph (A), a nuclear supplier shall pay to the general fund of the Treasury the deferred payment of the nuclear supplier required under subparagraph (B).

(ii) ANNUAL PAYMENTS.—A nuclear supplier may elect to prorate payment of the deferred payment required under subparagraph (A) in 5 equal payments at interest on the unpaid balance at the prime rate prevailing at the time the first payment is due.

(iii) VOUCHERS.—A nuclear supplier shall submit payment certification vouchers to the Secretary of the Treasury in accordance with section 3325 of title 31, United States Code.

(2) USE OF FUNDS.—

(A) IN GENERAL.—Amounts paid into the United States Treasury under paragraph (1) shall be available to the Secretary of the Treasury, without further appropriation and without fiscal year limitation, for the purpose of making the contributions of public funds required to be made by the United States under the Convention.

(B) ACTION BY SECRETARY OF TREASURY.—

The Secretary of the Treasury shall pay the contribution required under the Convention to the court of competent jurisdiction under Article XIII of the Convention with respect to a nuclear incident that is not a Price-Anderson incident.

(C) USE OF FUNDS.—

(i) IN GENERAL.—Any data that, at any time, was relied upon in reaching a determination under section 102A(i) of the National Security Act of 1947 (50 U.S.C. 403-1(i)); or

(ii) USE OF FUNDS.—

(1) IN GENERAL.—The Secretary of the Treasury, or the Committee, as appropriate, may prescribe regulations to carry out section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and the Convention.

(ii) REQUIREMENT.—Rules prescribed under this subsection shall ensure, to the maximum extent practicable, that—

(A) the implementation of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section is consistent and equitable; and 

(B) the financial and operational burden on a Commission licensee in complying with section 170 of that Act is not greater as a result of the enactment of this section.

(iii) APPLICABILITY OF PROVISION.—Section 553 of title 5, United States Code, shall apply with respect to the promulgation of regulations under this subsection.

(iv) EFFECT OF SUBSECTION.—The authority provided under this subsection is in addition to, and does not impair or otherwise affect, any other authority of the Secretary or the Commission to prescribe regulations.

(v) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 935. TRANSPARENCY IN EXTRACTIVE INDUSTRIES RESOURCE PAYMENTS.

(a) PURPOSE.—The purpose of this section is to—

(1) ensure greater United States energy security by combating corruption in the governments of foreign countries that receive revenues from the sale of their natural resources; and 

(b) promote the development of democracy and increase political and economic stability in such resource-rich foreign countries.

(b) STATEMENT OF POLICY.—It is the policy of the United States—

(1) to increase energy security by promoting anti-corruption initiatives in oil and natural gas rich countries; and 

(2) to promote global energy security through promotion of programs such as the Extractive Industries Transparency Initiative (EITI) that seek to instill transparency and accountability into extractive industries resource payments.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the United States should further its energy security and promote democratic development in resource-rich foreign countries by—

(1) encouraging further participation in the EITI by eligible countries and companies; and 

(2) promoting the efficacy of the EITI program by ensuring a robust and candid review mechanism.

(d) REPORT.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State, in consultation with the Secretary of Energy, shall submit to the appropriate Committees of Congress a report on the progress made in promoting transparency in extractive industries resource payments.

(k) PROTECTION OF SENSITIVE UNITED STATES INFORMATION.—Nothing in the Convention or this section requires the disclosure of—

(1) any data that, at any time, was Restricted Data (as defined in section 11 of the Atomic Energy Act of 1944 (42 U.S.C. 2210));

(2) information relating to intelligence sources or methods protected under section 102A(i) of the National Security Act of 1947 (50 U.S.C. 403-1(i)); or

(3) national security information classified under Executive Order 12958 (50 U.S.C. 351 note; relating to classified national security information) or a successor Executive Order or regulation.

(?)) REGULATIONS.—

(1) IN GENERAL.—The Secretary or the Committee, as appropriate, may prescribe regulations to carry out section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section.

(2) REQUIREMENT.—Rules prescribed under this subsection shall ensure, to the maximum extent practicable, that—

(A) the implementation of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section is consistent and equitable; and 

(B) the financial and operational burden on a Commission licensee in complying with section 170 of that Act is not greater as a result of the enactment of this section.
TITL E X—GREEN JOBS

SEC. 1001. SHORT TITLE.
This title may be cited as the “Green Jobs Act of 2007.”

SEC. 1002. ENERGY EFFICIENCY AND RENEWABLE ENERGY WORKER TRAINING PROGRAM.
Section 127 of the Workforce Investment Act of 1998 (29 U.S.C. 2916) is amended by adding at the end the following:

“(e) ENERGY EFFICIENCY AND RENEWABLE ENERGY WORKER TRAINING PROGRAM.—

“(1) GRANT PROGRAM.—

“(A) IN GENERAL.—Not later than 6 months after the date of enactment of the Green Jobs Act, the Secretary, in consultation with the Secretary of Energy, shall establish an energy efficiency and renewable energy worker training program under which the Secretary shall carry out the activities described in paragraph (2) to achieve the purposes of this subsection.

“(B) ELIGIBILITY.—For purposes of providing assistance and services under the program established under this subsection—

“(i) target populations of eligible individuals be given priority for training and other services under this section;

“(ii) workers impacted by national energy and environmental policy;

“(iii) individuals in need of updated training related to the energy efficiency and renewable energy industries;

“(iv) veterans, or past and present members of reserve components of the Armed Forces;

“(v) unemployed individuals;

“(V) individuals, including at-risk youth, seeking work pathways out of poverty and into economic self-sufficiency; and

“(VI) formerly incarcerated, adjudicated, nonviolent offenders; and

“(ii) energy efficiency and renewable energy industries eligible to participate in a program under this subsection include—

“(I) the energy-efficient building, construction, and retrofitting industries;

“(II) the renewable electric power industry;

“(III) the efficient and advanced drive train vehicle industry;

“(IV) the biofuels industry;

“(V) the deconstruction and materials use industries;

“(VI) energy efficiency assessment industry serving the residential, commercial, and/or industrial sectors; and

“(VII) manufacturers that produce sustainable products using environmentally sustainable processes and materials.

“(2) ACTIVITIES.—

“(A) NATIONAL RESEARCH PROGRAM.—Under the program established under paragraph (1), the Secretary, acting through the Bureau of Labor Statistics, where appropriate, shall collect and analyze labor market data to track workforce trends resulting from energy-related initiatives carried out under this subsection. Activities carried out under this paragraph shall include—

“(aa) the development, documentation of academic and occupational competencies as well as future skill needs with respect to renewable energy and energy efficiency technologies;

“(bb) tracking and documentation of occupational information and workforce training data related to the energy efficiency and renewable energy industries;

“(cc) the ability to help individuals achieve economic self-sufficiency;

“(dd) the ability to identify and involve in training programs, target populations of individuals who would benefit from training and be actively involved in activities related to energy efficiency and renewable energy industries; and

“(ee) the ability to help individuals achieve economic self-sufficiency.

“(B) STATE LABOR MARKET RESEARCH, INFORMATION, AND LABOR EXCHANGE RESEARCH PROGRAM.—

“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

“(ii) ENERGY POLICY TRAINING PROGRAM.—

“(A) NATIONAL RESEARCH PROGRAM.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

“(B) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

“(ii) ENERGY POLICY TRAINING PROGRAM.—

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“(B) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

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“(B) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

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“(A) NATIONAL RESEARCH PROGRAM.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

“(B) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

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“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

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“(B) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

“(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to carry out research, information, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.
appropriate training programs, including apprentice, union and labor management training programs, including such activities referred to in paragraph (3)(A), and implement training programs that lead to the economic self-sufficiency of trainees.

(3) PATHWAYS OUT OF POVERTY DEMONSTRATION PROGRAMS. —

(A) IN GENERAL. — Under the program established under paragraph (1), the Secretary shall award competitive grants of sufficient size to eligible entities to enable such entities to carry out training that leads to economic self-sufficiency. The Secretary shall give priority to entities that serve individuals in households with income of less than 200 percent of the poverty standard for the local areas where the training is conducted that specifies, as defined by the State, or where such standard is not established, the sufficiency standard for the economic self-sufficiency. The Secretary shall size to eligible entities to enable such entities to carry out training that leads to economic self-sufficiency of trainees.

(B) PERFORMANCE LEVELS. — The Secretary shall establish standards for the indicators of performance expected to be achieved by the eligible entity on the indicators of performance.

(4) WORKER PROTECTIONS AND NON-DISCRIMINATORY REQUIREMENTS. —

(A) A GENERAL. — The provisions of sections 181 and 186 of the Workforce Investment Act of 1998 (29 U.S.C. 2931 and 2938) shall apply to all programs carried out under this section.

(B) CONSULTATION WITH LABOR ORGANIZATIONS. — If a labor organization represents a substantial number of workers who are engaged in similar work or training in an area that is the same as the area that is proposed to be funded under this Act, the labor organization shall be provided an opportunity to be consulted and to submit comments in regard to such a proposal.

(5) PERFORMANCE MEASURES. —

(A) A GENERAL. — The Secretary shall negotiate in each agreement with the eligible entities that receive grants and assistance under this section on performance measures for the indicators of performance referred to in subparagraphs (A) and (B) of section 136(b)(2) that will be used to evaluate the performance of the eligible entity in carrying out the activities described in subsection (e)(2). Each performance measure shall consist of such an indicator of performance, and a performance level referred to in subsection (B).

(B) PERFORMANCE LEVELS. — The Secretary shall negotiate and reach agreement with the eligible entity regarding the levels of performance expected to be achieved by the eligible entity on the indicators of performance.

(6) REPORT. —

(A) A GENERAL. — Not later than 18 months after the date of enactment of the Green Jobs Act of 2007, the Secretary shall transmit a report to the Senate Committee on Energy and Natural Resources, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the training program established by this subsection. The report shall include a description of the entities receiving funding and the activities carried out by such entities.

(B) EVALUATION. — Not later than 3 years after the date of enactment of such Act, the Secretary shall transmit to the Senate Committee on Energy and Natural Resources, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the assessment of such program and an evaluation of the activities carried out by entities receiving funding from such program.

(7) DEFINITION. — For the purposes of this section, the term ‘'renewable energy’' has the meaning given such term in section 203(b)(2) of the Energy Policy Act of 2005 (Public Law 109–58).

(8) AUTHORIZATION OF APPROPRIATIONS. —

There is authorized to be appropriated to carry out this subsection, $125,000,000 for each fiscal year of which —

(A) not to exceed 20 percent of the amount appropriated in such fiscal year shall be made available for, and shall be equally divided between, national labor market research and information under paragraph (2)(A) and State labor market information and labor exchange research under paragraph (2)(D); and

(C) the remainder shall be divided equally between National Energy Partnership Training Grants under paragraph (2)(B) and State energy training partnership grants under paragraph (2)(D).

TITLE XI—ENERGY TRANSPORTATION AND INFRASTRUCTURE

Subtitle A—Department of Transportation

SEC. 1191. OFFICE OF CLIMATE CHANGE AND ENVIRONMENT.

(a) IN GENERAL. — Section 102 of title 49, United States Code, is amended by —

(A) redesignating subsection (g) as subsection (h); and

(B) by inserting after subsection (f) the following new subsection:

"(g) OFFICE OF CLIMATE CHANGE AND ENVIRONMENT.—

"(1) ESTABLISHMENT.—There is established in the Department an Office of Climate Change and Environment to plan, coordinate, and implement—

"(A) department-wide research, strategies, and actions under the Department's strategies, research, and plans described in paragraphs (A) and (B) of section 136(b)(2) that will be used to evaluate the performance of the eligible entity in carrying out the activities described in subsection (e)(2). Each performance measure shall consist of such an indicator of performance, and a performance level referred to in subsection (B).

"(B) PERFORMANCE LEVELS. — The Secretary shall negotiate and reach agreement with the eligible entity regarding the levels of performance expected to be achieved by the eligible entity on the indicators of performance.

"(C) REPORT.—Not later than 18 months after the date of enactment of the Green Jobs Act of 2007, the Secretary shall transmit a report to the Senate Committee on Energy and Natural Resources, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the training program established by this subsection. The report shall include a description of the entities receiving funding and the activities carried out by such entities.

"(D) EVALUATION.—Not later than 3 years after the date of enactment of such Act, the Secretary shall transmit to the Senate Committee on Energy and Natural Resources, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the assessment of such program and an evaluation of the activities carried out by entities receiving funding from such program.

"(E) DEFINITION. — For the purposes of this section, the term ‘‘renewable energy’' has the meaning given such term in section 203(b)(2) of the Energy Policy Act of 2005 (Public Law 109–58).

"(F) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this subsection, $125,000,000 for each fiscal year of which—

"(A) not to exceed 20 percent of the amount appropriated in such fiscal year shall be made available for, and shall be equally divided between, national labor market research and information under paragraph (2)(A) and State labor market information and labor exchange research under paragraph (2)(D); and

"(C) the remainder shall be divided equally between National Energy Partnership Training Grants under paragraph (2)(B) and State energy training partnership grants under paragraph (2)(D).";
HYBRID LOCOMOTIVES—The Secretary of Transportation shall coordinate its activities with the United States Global Change Research Program to study the effects of climate change on transportation systems and the fuel efficiency and emissions associated with transportation-related activities.

AMENDMENT—Chapter 223 of title 49, United States Code, is amended to read as follows:

"CHAPTER 223—CAPITAL GRANTS FOR CLASS II AND CLASS III RAILROADS

"Sec.

22301. Capital grants for class II and class III railroads.

22301. Capital grants for class II and class III railroads.

(a) ESTABLISHMENT—The Secretary of Transportation shall establish a program for making capital grants to class II and class III railroads. Such grants shall be for projects in the public interest that—

(1) facilitate the restored or greater use of railroad transportation for freight shipments; and

(2) reduce the use of less fuel efficient modes of transportation in the transportation of such shipments; and

(3) demonstrate innovative technologies and advanced research and development that increase fuel economy, reduce greenhouse gas emissions, and lower the costs of operation.

(b) PROVISION OF GRANTS—Grants may be provided under this chapter—

(1) directly to the class II or class III railroad; or

(2) with the concurrence of the class II or class III railroad, to a State or local government.

(c) STATE COOPERATION—Class II and class III railroad applicants for a grant under this chapter shall—

(1) the level of energy efficiency that would be achieved by the proposed project;

(2) the extent to which the proposed project would assist in commercial deployment of hybrid or other energy-efficient locomotive technologies;

(3) the extent to which the proposed project complements other private or government partnerships efforts to improve air quality or fuel efficiency in a particular area; and

(4) the extent to which the applicant demonstrates innovative strategies and a financial commitment to increasing energy efficiency and reducing greenhouse gas emissions of its railroad operations.

(d) COMPETITIVE GRANT SELECTION PROCESS—

(1) APPLICATIONS.—A railroad carrier or State or local government seeking a grant under this section shall submit for approval by the Secretary of Transportation an application for the grant containing such information as the Secretary of Transportation requires.

(2) COMPETITIVE SELECTION.—The Secretary of Transportation shall conduct a national solicitation for applications for grants under this section and shall select grantees on a competitive basis.

(e) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall not exceed 80 percent of the project cost.

(f) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of Transportation shall submit to Congress a report on the results of the pilot program carried out under this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Transportation $15,000,000 for each of fiscal years 2008 through 2011 to carry out this section. Such funds shall remain available until expended.

(h) LABOR STANDARDS.—Wage rates, wage scales, and other labor standards applicable to such railroad work shall be as provided under the Railway Labor Act (45 U.S.C. 151 et seq.) or as agreed to by the employees and their employer in a collective bargaining agreement negotiated under the Railway Labor Act (45 U.S.C. 151 et seq., as amended).

(i) PREVAILING WAGES.—The Secretary shall ensure that laborers and mechanics employed by contractors and subcontractors in construction work financed under this Act shall be paid wages not less than those prevailing on similar construction in the locality, as determined by the Davis-Bacon Act (40 U.S.C. 276a et seq.) or as agreed to by the employees and their employer in a collective bargaining agreement negotiated under the Railway Labor Act (45 U.S.C. 151 et seq., as amended), whichever is applicable.

(j) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(k) WAGE SCALES.—Wage scales in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(l) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(m) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(n) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(o) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(p) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(q) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(r) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(s) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(t) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(u) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(v) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(w) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(x) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(y) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(z) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(aa) LABOR STANDARDS.—Wage rates in collective bargaining agreements negotiated under the Railway Labor Act (45 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49 (commonly known as the 'Davis-Bacon Act'). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.
Subtitle C—Marine Transportation

SEC. 1121. SHORT SEA TRANSPORTATION INITIATIVE.

(a) In General.—Title 46, United States Code, is amended by adding after chapter 555 the following:

"CHAPTER 556—SHORT SEA TRANSPORTATION"

"Sec. 55601. Short sea transportation program.

"Sec. 55602. Cargo and shippers.

"Sec. 55603. Interagency coordination.

"Sec. 55604. Research on short sea transportation.

"Sec. 55605. Short sea transportation defined.

"§ 55601. Short sea transportation program

"(a) Establishment.—The Secretary of Transportation shall establish a short sea transportation program and designate short sea transportation projects to be conducted under the program to mitigate landside congestion.

"(b) Program Elements.—The program shall encourage the use of short sea transportation through the development and expansion of—

"(1) documented vessels;

"(2) shipper utilization;

"(3) port and landside infrastructure; and

"(4) marine transportation strategies by State and local governmental entities.

"(c) Short Sea Transportation Routes.—The Secretary shall designate short sea transportation routes as extensions of the surface transportation system to focus public and private efforts to use the waterways to relieve landside congestion along coastal corridors. The Secretary may collect and disseminate data for the designation and delineation of short sea transportation routes.

"(d) Project Designation.—The Secretary may designate a project to be a short sea transportation project if the Secretary determines that the project may—

"(1) offer a waterborne alternative to available landside transportation services using documented vessels; and

"(2) provide transportation services for passengers or freight (or both) that may reduce congestion on landside infrastructure using documented vessels.

"(e) Elements of Program.—For a short sea transportation project designated under this section, the Secretary may—

"(1) promote the development of short sea transportation services;

"(2) coordinate, with ports, State departments of transportation, localities, other public and private parties, and the private sector to plan and the development of landside facilities and infrastructure to support short sea transportation services; and

"(3) set performance measures for the short sea transportation program.

"(f) Multistate, State and Regional Transportation Planning.—The Secretary, in consultation with Federal entities and State and local governments, shall develop strategies to encourage the use of short sea transportation for transportation of passengers and cargo. The Secretary shall—

"(1) assess the extent to which States and local governments include short sea transportation and other marine transportation solutions in their transportation planning;

"(2) encourage State departments of transportation to develop strategies, where appropriate, to incorporate short sea transportation and other marine transportation solutions for regional and interstate transport of freight and passengers in their transportation planning; and

"(3) develop strategies of States and multi-State transportation entities to determine how short sea transportation can address congestion, bottlenecks, and other interstate transportation challenges.

"§ 55602. Cargo and shippers

"(a) Memorandum of Agreement.—The Secretary of Transportation shall enter into memorandums of understanding with the heads of other entities to transfer, federally owned or generated cargo using a short sea transportation project designated under section 55601 when practical or available.

"(b) Short-Term Incentives.—The Secretary shall consult shippers and other participants in transportation logistics and develop proposals for short-term incentives to encourage the use of short sea transportation.

"§ 55603. Interagency coordination

"The Secretary of Transportation shall establish a board to identify and seek solutions to impediments hindering effective use of short sea transportation. The board shall include representatives of the Environmental Protection Agency and other Federal, State, and local governmental entities and private sector entities.

"§ 55604. Research on short sea transportation

"The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, may conduct research on short sea transportation, regarding—

"(1) the environmental and transportation benefits to be derived from short sea transportation alternatives for other forms of transportation;

"(2) technology, vessel design, and other improvements that would reduce emissions, increase fuel economy, and lower costs for short sea transportation and increase the efficiency of intermodal transfers; and

"(3) solutions to impediments to short sea transportation projects designated under section 55601.

"§ 55605. Short sea transportation defined

"In this chapter, the term ‘short sea transportation’ means the carriage by vessel of cargo—

"(1) that is—

"(A) contained in intermodal cargo containers and loaded by crane on the vessel; or

"(B) loaded on the vessel by means of wheeled technology; and

"(2) that is—

"(A) loaded at a port in the United States and unloaded either at another port in the United States or at a port in Canada located in the Great Lakes Saint Lawrence Seaway System; or

"(B) loaded at a port in Canada located in the Great Lakes Saint Lawrence Seaway System and unloaded at a port in the United States.

"§ 55606. Short sea transportation trade

"In this chapter, the term ‘short sea transportation trade’ means the carriage by vessel of cargo—

"(1) that is—

"(A) contained in intermodal cargo containers and loaded by crane on the vessel; or

"(B) loaded on the vessel by means of wheeled technology; and

"(2) that is—

"(A) loaded at a port in the United States and unloaded either at another port in the United States or at a port in Canada located in the Great Lakes Saint Lawrence Seaway System; or

"(B) loaded at a port in Canada located in the Great Lakes Saint Lawrence Seaway System and unloaded at a port in the United States.

"§ 55607. Short sea transportation

"(a) E Stabishment.—The Environmental Protection Agency, may conduct research on short sea transportation, and

"(b) Allowable Purpose.—Section 53503(b) of such title is amended by striking ‘‘or noncontiguous domestic trade’’ and inserting ‘‘noncontiguous domestic, or short sea transportation trade’’.

"SEC. 1122. SHORT SEA TRANSPORTATION REPORT.

Not later than one year after the date of enactment of this Act, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment, Science, and Transportation of the Senate a report on the short sea transportation program established under the amendments made by section 1121. The report shall include a description of the activities conducted under the program, and any recommendations for further legislative or administrative action that the Secretary of Transportation considers appropriate.

Subtitle D—Highways

SEC. 1131. INCREASED FEDERAL SHARE FOR CMAQ PROJECTS.

Section 129(e) of title 23, United States Code, is amended—

(1) in the subsection heading by striking ‘‘FOR CERTAIN SAFETY PROJECTS’’;

(2) by striking ‘‘The Federal share’’ and inserting the following:

"(1) CERTAIN SAFETY PROJECTS.—The Federal share’’; and

(3) by adding at the end the following:

"(2) CMAQ PROJECTS.—The Federal share payable on account of a project or program carried out under section 149 with funds obligated in fiscal year 2008 or 2009, or both, shall be not less than 90 percent of the discretion of the State, may be up to 100 percent of the cost thereof.’’.

"SEC. 1132. DISTRIBUTION OF RESCSSIONS.

(a) In General.—An unobligated balance of amounts that are appropriated from the Highway Trust Fund for a fiscal year, and apportioned under chapter 1 of title 23, United States Code, before, on, or after the date of enactment of this Act and that are rescinded in fiscal year 2008 or fiscal year 2009 shall be distributed by the Secretary of Transportation within 90 days of the date that the Secretary rescinds the款 (as defined in section 101 of such title) among all programs for which funds are apportioned under such chapter for such fiscal year, to the extent such funds remain available for obligation, in the ratio that the amount of funds apportioned for each program under
such chapter for such fiscal year, bears to the amount of funds apportioned for all such programs under such chapter for such fiscal year.

(b) ADJUSTMENTS.—A State may make adjustments to the distribution of a rescission within the State for a fiscal year under subsection (a) by transferring the amounts to be rescinded from programs for which funds are apportioned under chapter 1 of title 23, United States Code, for such fiscal year, except that in making such adjustments the State may not rescind from any such program more than 110 percent of the funds to be rescinded from the program for the fiscal year as determined by the Secretary of Transportation under subsection (a).

(c) TREATMENT OF TRANSPORTATION ENHANCEMENT SET-ASIDE AND FUNDS SUBALLOCATED TO SUBSTATE AREAS.— Funds set aside under sections 133(d)(2) and 133(d)(3) of title 23, United States Code, shall be treated as being apportioned under chapter 1 of such title for purposes of subsection (a).

SEC. 1133. SENSE OF CONGRESS REGARDING USE OF COMPLETE STREETS DESIGN TECHNIQUES.

It is the sense of Congress that in constructing new roadways or rehabilitating existing facilities, State and local governments should plan and design projects to accommodate all users, including motorists, pedestrians, bicyclists, transit riders, and people of all ages and abilities, in order to—

(1) utilize surface transportation users by creating a more interconnected and intermodal system;

(2) create more viable transportation options;

(3) facilitate the use of environmentally friendly options, such as public transportation, walking, and bicycling.

TITLE XII—SMALL BUSINESS ENERGY PROGRAMS

SEC. 1201. EXPRESS LOANS FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY.

Section 7(a)(31) of the Small Business Act (15 U.S.C. 638(a)(31)) is amended by adding at the end the following:

“(F) EXPRESS LOANS FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY.—

(1) IN GENERAL.—The Administrator shall make loans under this subsection to a small business concern (as defined in section 632(a) of this title) for—

(aa) any organic material that is available on a renewable or recurring basis, including, but not limited to—

(AA) agricultural crops; (BB) trees grown for energy production; (CC) wood waste and wood residues; (DD) plants (including aquatic plants and grasses); (EE) residues; (FF) fibers; (GG) animal wastes and other waste materials; and (HH) fats, oils, and greases (including recycled fats, oils, and greases); and

(bb) hydrogen derived from biomass or water (using an energy source described in item (aa).

(ii) Loans.—The Administrator may make a loan under the Express Loan Program for the purpose of carrying out an energy efficiency project for a small business concern.”.

SEC. 1202. PILOT PROGRAM FOR REDUCED 7(a) FEES FOR WAITLISTS OF ENERGY EFFICIENT TECHNOLOGIES.

Section 7(a) of the Small Business Act (15 U.S.C. 638(a)) is amended by adding at the end the following:

“(B) LOANS FOR ENERGY EFFICIENT TECHNOLOGIES.—

(A) DEFINITIONS.—In this paragraph—

(i) the term ‘cost’ has the meaning given that term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a);

(ii) the term ‘covered energy efficiency loan’ means a loan that (I) makes an energy efficiency loan as a direct result of the pilot program and (II) is made under the following:

(I) made under this subsection; and

(II) the proceeds of which are used to purchase energy efficient designs, equipment, or fixtures, or to reduce the energy consumption of the borrower by 10 percent or more; and

(iii) the term ‘pilot program’ means the pilot program established under subparagraph (B); and

(B) ESTABLISHMENT.—The Administrator shall establish and carry out a pilot program under which the Administrator shall reduce the fees for covered energy efficiency loans.

(C) DURATION.—The pilot program shall terminate at the end of the second full fiscal year after the date that the Administrator establishes the pilot program.

(D) MAXIMUM PARTICIPATION.—A covered energy efficiency loan shall include maximum participation levels by the Administrator permitted for loans made under this subsection.

(E) FEES.—

(i) IN GENERAL.—The fee on a covered energy efficiency loan shall be equal to 50 percent of the fee otherwise applicable to that loan under paragraph (18).

(ii) WAIVER.—The Administrator may waive clause (i) for a fiscal year in—

(I) for the purpose that fiscal year, the annual rate of default of covered energy efficiency loans exceeds that of loans made under this subsection that are not covered energy efficiency loans; and

(II) the cost to the Administration of making loans under this subsection is greater than zero and such cost is directly attributable to the Administrator waiving covered energy efficiency loans; and

(iii) no additional sources of revenue authority are available to reduce the cost of making loans under the pilot program.

(iii) EFFECT OF WAIVER.—If the Administrator waives the reduction of fees under clause (ii), the Administrator—

(I) shall restate the fees in an amount greater than necessary to ensure that the cost of the program under this subsection is not greater than zero; and

(II) shall restate the fee reductions under clause (i) when the conditions in clause (ii) no longer apply.

(iv) NO INCREASE OF FEES.—The Administrator shall reduce the fees under paragraph (18) on loans made under this subsection that are not covered energy efficiency loans as a direct result of the pilot program.

(F) GAO REPORT.—

(i) IN GENERAL.—Not later than 1 year after the date that the pilot program terminates, the Comptroller General of the United States shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the pilot program.

(ii) CONTENTS.—The report submitted under clause (i) shall include—

(I) the covered energy efficiency loans for which fees were reduced under the pilot program; and

(II) a description of the energy efficiency savings with the pilot program.

(III) a description of the impact of the pilot program on the program under this subsection;

(IV) an evaluation of the efficacy and potential fraud and abuse of the pilot program; and

(V) recommendations for improving the pilot program.”.

SEC. 1203. SMALL BUSINESS ENERGY EFFICIENCY.

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;


(3) the term “disability” has the meaning given that term in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102); and

(4) the term “Efficiency Program” means the Small Business Energy Efficiency Program established under subsection (c)(1); and

(b) IMPLEMENTATION OF SMALL BUSINESS ENERGY EFFICIENCY PROGRAM.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall promulgate final rules establishing the Government-wide program and an associated program established under subsection (d) of section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307) that ensure compliance with that subsection by not later than 6 months after such date of enactment.

(2) PROGRAM REQUIRED.—The Administrator shall develop and coordinate a Government-wide program, building on the Energy Star for Small Business program, to assist small business concerns in—

(A) becoming more energy efficient;

(B) understanding the cost savings from improved energy efficiency;

(C) identifying financing options for energy efficiency upgrades.
(3) Consultation and cooperation.—The program required by paragraph (2) shall be developed and coordinated:
(A) in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency; and
(B) in cooperation with any entities the Administrator considers appropriate, such as industry associations, industry members, and energy efficiency organizations.

(4) Availability of information.—The Administrator may make available the information and materials developed under the program required by paragraph (2) to—
(A) small business concerns, including smaller design, engineering, and construction firms;
(B) other Federal programs for energy efficiency, such as the Energy Star for Small Business program.

(5) Strategy and report.—
(A) Strategy required.—The Administrator shall develop a strategy to educate, encourage, and assist small business concerns in adopting energy efficient building fixtures and equipment.
(B) Report.—Not later than December 31, 2008, the Administrator shall submit to Congress a strategy to implement the strategy developed under subparagraph (A).

(c) Small business sustainability initiative.

(1) Authority.—The Administrator shall establish a Small Business Energy Efficiency Program to provide energy efficiency assistance to small business concerns through small business development centers.

(2) Small business development centers.

(A) In general.—In carrying out the Efficiency Program, the Administrator shall enter into agreements with small business development centers under which such centers shall—
(i) provide access to information and resources on energy efficiency practices, including on-bill financing options;
(ii) conduct training and educational activities;
(iii) offer confidential, one-on-one, in-depth energy audits to the owners and operators of the business concerns regarding energy efficiency practices;
(iv) give referrals to certified professionals and other providers of energy efficiency assistance to small business concerns; such standards for educational, technical, and professional competency as the Administrator shall establish;
(v) to the extent not inconsistent with controlling Federal and State laws and regulations, act as a facilitator between small business concerns, electric utilities, lenders, and the Administration to facilitate on-bill financing arrangements;
(vi) provide necessary support to small business concerns to—
(I) evaluate energy efficiency opportunities and design, construct, or design and construct high performance green buildings;
(II) evaluate renewable energy sources, such as the use of solar and small wind to supplement power consumption;
(III) secure financing to achieve energy efficiency or to design or construct high performance green buildings; and
(IV) implement energy efficiency projects;
(vii) assist owners of small business concerns with the development and commercialization of clean technology products, goods, services, and processes that use renewable energy sources, dramatically reduce the use of natural resources, and cut or eliminate greenhouse gas emissions throughout the life cycle of the products;
(I) technology assessment;
(II) intellectual property;
(III) Small Business Innovation Research submissions under section 9 of the Small Business Act (15 U.S.C. 638);
(IV) strategic alliances;
(V) business development; and
(VI) preparation for investors; and
(viii) help small business concerns improve environmental performance by shifting to lesser hazardous value-added processes and emissions, including by providing assistance for small business concerns to adapt the materials they use, the processes they operate, and the products and services they produce.

(B) Reports.—Each small business development center participating in the Efficiency Program shall submit to the Administrator and the Administrator of the Environmental Protection Agency an annual report that includes—
(i) a summary of the energy efficiency assistance provided by that center under the Efficiency Program;
(ii) the number of small business concerns assisted by that center under the Efficiency Program;
(iii) statistics on the total amount of energy saved as a result of assistance provided by that center under the Efficiency Program; and
(iv) any additional information determined necessary by the Administrator, in consultation with the Committee on Small Business.

(C) Reports to Congress.—Not later than 60 days after the date on which all reports under subparagraph (B) relating to a year are submitted, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report summarizing the information regarding the Efficiency Program submitted by small business development centers participating in that program.

(3) Eligibility.—A small business development center shall be eligible to participate in the Efficiency Program only if that center is certified under section 21(k)(2) of the Small Business Act (15 U.S.C. 648(k)(2)).

(4) Selection of participating state programs.—From among small business development centers submitting applications to participate in the Efficiency Program, the Administrator—
(A) shall, to the maximum extent practicable, select small business development centers in each State that are operated in the following manner:
(B) may not select more than 1 small business development center in any State to participate in the Efficiency Program.

(5) Matching requirement.—Subparagraphs (A) and (B) of section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) shall apply to assistance made available under the Efficiency Program.

(6) Grant amounts.—Each small business development center selected to participate in the Efficiency Program under paragraph (4) shall be eligible to receive a grant in an amount equal to—
(A) not less than $100,000 in each fiscal year; and
(B) not more than $300,000 in each fiscal year.

(7) Evaluation and report.—The Comptroller General of the United States shall—
(A) not later than 30 months after the date of disbursement of the first grant under the Efficiency Program, carry out section 21(a)(1) of the Small Business Act (15 U.S.C. 648(a)(1)), the Administrator may make grants or enter into cooperative agreements to carry out this subsection.

(8) Authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to make grants and enter into cooperative agreements to carry out this subsection.

(9) Implementation.—Subject to amounts approved in advance in appropriations Acts and separate from amounts approved to carry out section 21(a)(1) of the Small Business Act (15 U.S.C. 648(a)(1)), the Administrator may make grants or enter into cooperative agreements to carry out this subsection.

(10) Authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to make grants and enter into cooperative agreements to carry out this subsection.

(11) Termination.—The authority under this subsection shall terminate 4 years after the date of disbursement of the first grant under the Efficiency Program.

(d) Small business telecommuting.

(1) Pilot program.—
(A) In general.—The Administrator shall conduct, in not more than 5 of the regions of the Administration, a pilot program to provide information regarding telecommuting to employers that are small business concerns and to encourage such employers to offer telecommuting options to employees.

(B) Special outreach to individuals with disabilities.—In carrying out the Telecommuting Pilot Program, the Administrator may make a concerted effort to provide information to—
(i) small business concerns owned by or employing individuals with disabilities, particularly veterans who are individuals with disabilities; and
(ii) Federal, State, and local agencies having knowledge and expertise in assisting individuals with disabilities, including veterans who are individuals with disabilities; and
(iii) any group or organization, the primary purpose of which is to aid individuals with disabilities or veterans who are individuals with disabilities.

(2) Permissible activities.—In carrying out the Telecommuting Pilot Program, the Administrator may—
(A) produce educational materials and conduct presentations designed to raise awareness in the small business community of the benefits and the ease of telecommuting;
(B) conduct outreach to—
(I) to small business concerns that are considering offering telecommuting options; and
(II) as provided in subparagraph (B); and
(C) acquire telecommuting technologies and equipment to be used for demonstration purposes.

(3) Selection of regions.—In determining which regions will participate in the Telecommuting Pilot Program, the Administrator shall give primary consideration to regions in which Federal agencies and private employers have demonstrated a strong regional commitment to telecommuting.

(4) Report to Congress.—Not later than 2 years after the date of the first grant appropriated to carry out this subsection, the Administrator shall transmit to the
Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing the results of an evaluation of the TELECOMMUTING PILOT PROGRAM and any recommendations regarding whether the pilot program, with or without modification, should be extended to include the participation of all regions of the Administration.

(3) TERMINATION.—The Telecommuting Pilot Program shall terminate 4 years after the date on which funds are first appropriated to carry out this subsection.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator $5,000,000 to carry out this subsection.

(e) ENCOURAGING INNOVATION IN ENERGY EFFICIENCY.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

(2) ENCOURAGING INNOVATION IN ENERGY EFFICIENCY.—In carrying out its duties under this section relating to SBIR and STTR solicitations by Federal departments and agencies, the Administrator shall:

(A) ensure that such departments and agencies give high priority to small business concerns that participate in or conduct energy conservation or renewable energy system research and development projects; and

(B) include in the annual report to Congress under subsection (b)(7) a determination of whether the priority described in subparagraph (A) is being carried out.

(2) CONSULTATION REQUIRED.—The Administrator shall consult with the heads of other Federal departments and agencies in determining whether priority has been given to small business concerns that participate in or conduct energy conservation or renewable energy system research and development projects, as required by this subsection.

(3) GUIDELINES.—The Administrator shall, as soon as practicable after the date of enactment of this subsection, issue guidelines and directives to assist Federal agencies in meeting the requirements of this subsection.

(4) DEFINITIONS.—In this subsection—

(A) the term ‘‘biomass’’—

(i) means any organic material that is available on a renewable or recurring basis, including—

(I) agricultural crops;

(II) trees grown for energy production;

(III) wood waste and wood residues;

(IV) plants (including aquatic plants and grasses);

(V) residues;

(VI) fibers;

(VII) animal wastes and other waste materials; and

(VIII) fats, oils, and greases (including recycled fats, oils, and greases); and

(ii) does not include—

(D) paper that is commonly recycled; or

(II) unsegregated solid waste;

(B) the term ‘‘energy efficiency program’’ means the installation or upgrading of equipment that results in a significant reduction in energy usage; and

(C) the term ‘‘energicamentequity system’’ means a system of energy derived from—

(i) a wind, solar, biomass (including biodiesel), or geothermal source; or

(ii) hydrogen derived from biomass or water using an energy source described in clause (i).

SEC. 1204. LARGER 504 LOAN LIMITS TO HELP SMALL BUSINESS CONSERVE ENERGY OR CONDUCT ENERGY EFFICIENCY PROJECTS.—Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 665(d)(3)) is amended—

(1) in subparagraph (G) by striking ‘‘or’’ at the end;

(2) in subparagraph (H) by striking the period at the end and inserting a comma; and

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

‘‘(I) reduction of energy consumption by at least 10 percent; and

‘‘(J) increased use of sustainable design, including designs that reduce the use of greenhouses gas emitting fossil fuels, or low-impact design to produce buildings that reduce the use of non-renewable resources and minimize environmental impact, or (K) plant, equipment and process upgrades of renewable energy sources such as the small-scale production of energy for individual buildings or communities consumption, commonly known as micropower, or renewable fuels producers including biodiesel and ethanol producers.’’;

and

(4) by adding at the end the following: ‘‘In subsection (d) and (k), terms have the meanings given those terms under the Leadership in Energy and Environmental Design (LEED) standard for green building certification, as determined by the Administrator.’’;

(b) LOANS FOR PLANT PROJECTS USED FOR ENERGY-EFFICIENT PURPOSES.—Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 662(2)(A)) is amended—

(1) in clause (ii) by striking ‘‘and’’ at the end;

(2) in clause (iii) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following: ‘‘(iv) $4,000,000 for each project that reduces the borrower’s energy consumption by at least 10 percent; and

(v) $4,000,000 for each project that generates renewable energy or renewable fuels, such as biodiesel or ethanol production.’’

SEC. 1205. ENERGY SAVING DEBENTURES.—(a) IN GENERAL.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

‘‘(k) Energy Saving Debentures.—In addition to any other authority under this Act, a small business investment company licensed in the Federal Credit Reform Act of 1990 (2 U.S.C. 661a) with respect to purchasing or guaranteeing any debt incurred by a company licensed in the applicable fiscal year.’’;

(b) DEFINITIONS.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended—

(1) in paragraph (16), by striking ‘‘and’’ at the end;

(2) in paragraph (17), by striking the period at the end and inserting a semicolon and

(3) by adding at the end the following:

‘‘(18) the term ‘‘Energy Saving Debenture’’ means a debt instrument that—

(A) is issued at a discount;

(B) has a 5-year maturity or a 10-year maturity;

(C) requires no interest payment or annual charge for the first 5 years; and

(D) is restricted to Energy Saving qualified investments; and

(E) is issued at no cost (as defined in section 502 of the Credit Reform Act of 1990) with respect to purchasing and guaranteeing the debenture; and

(19) the term ‘‘Energy Saving qualified investment’’ means investment in a small business concern that is primarily engaged in re-searching, manufacturing, developing, or providing products, or services that reduce the use or consumption of non-renewable energy resources.’’.

SEC. 1206. INVESTMENTS IN ENERGY SAVING SMALL BUSINESSES.—(a) MAXIMUM LEVERAGE.—Section 303(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)) is amended by adding at the end the following:

‘‘(D) INVESTMENTS IN ENERGY SAVING SMALL BUSINESSES.—(I) IN GENERAL.—Subject to clause (ii), in calculating the outstanding leverage of a company for purposes of subparagraph (A), the Administrator shall exclude the amount of the cost basis of any Energy Saving qualified investment in a smaller enterprise made in the first fiscal year after the date of enactment of this subparagraph or any fiscal year thereafter by a company licensed in the applicable fiscal year.

‘‘(ii) LIMITATIONS.—

(1) AMOUNT OF EXCLUSION.—The amount equal to more than 20 percent of the private capital of that company.

(II) MAXIMUM INVESTMENT.—A company shall not make an Energy Saving qualified investment in any one entity in an amount equal to more than 20 percent of the private capital of that company.

(b) MAXIMUM AGGREGATE AMOUNT OF LEVERAGE.—Section 303(b)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(4)) is amended by adding at the end the following:

‘‘(D) INVESTMENTS IN ENERGY SAVING SMALL BUSINESSES.—

(1) IN GENERAL.—Subject to clause (ii), in calculating the aggregate outstanding leverage of a company for purposes of subparagraph (A), the Administrator shall exclude the amount of the cost basis of any Energy Saving qualified investment in a smaller enterprise made in the first fiscal year after the date of enactment of this subparagraph or any fiscal year thereafter by a company licensed in the applicable fiscal year.

(II) LIMITATIONS.—

(1) AMOUNT OF EXCLUSION.—The amount excluded under clause (i) for a company shall not exceed 33 percent of the private capital of that company.

(II) MAXIMUM INVESTMENT.—A company shall not make an Energy Saving qualified investment in any one entity in an amount equal to more than 20 percent of the private capital of that company.

(III) OTHER TERMS.—The exclusion of amounts under clause (i) shall be subject to such terms as the Administrator may impose to ensure that there is no cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) with respect to purchasing or guaranteeing any debt incurred.’’;

SEC. 1207. RENEWABLE FUEL CAPITAL INVESTMENT PILOT PROGRAM.—Title III of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

‘‘PART C—RENEWABLE FUEL CAPITAL INVESTMENT PILOT PROGRAM

SEC. 381. DEFINITIONS.—In this part:

‘‘(1) OPERATIONAL ASSISTANCE.—The term ‘operational assistance’ means management, accounting, and other technical assistance that assists a small business concern with business development.’’
SEC. 384. SELECTION OF RENEWABLE FUEL CAPITAL INVESTMENT COMPANIES.

(a) ELIGIBILITY.—A company is eligible to apply to become a Renewable Fuel Capital Investment company if the company—

(1) is a newly formed for-profit entity or a newly formed for-profit subsidiary of an existing entity;

(2) has a management team with experience in alternative energy financing or relevant venture capital financing; and

(3) has a primary objective of investment in smaller enterprises that research, manufacture, develop, produce, or bring to market goods, products, or services that generate or support the production of renewable energy.

(b) APPLICATION.—A company desiring to be designated a Renewable Fuel Capital Investment company shall submit an application to the Administrator that includes—

(1) a business plan describing how the company intends to make successful venture capital investments in smaller enterprises primarily engaged in the research, manufacture, development, production, or bringing to market of goods, products, or services that generate or support the production of renewable energy;

(2) information regarding the relevant venture capital qualifications and general reputation of the management of the company;

(3) a description of how the company intends to seek to address the unmet capital needs of the smaller enterprises served;

(4) a proposal describing how the company intends to use the grant funds provided under the part to provide operational assistance to smaller enterprises financed by the company, including information regarding whether the company has employees with professional licenses or will contract with another entity when the services of such an individual are necessary;

(5) with respect to binding commitments to be made to the company under this part, an estimate of the ratio of cash to in-kind contributions;

(6) a description of whether and to what extent the company meets the criteria under subsection (c)(2) and the objectives of the program established under this part;

(7) information regarding the management of the company, including any parent company, affiliated firm, or any other firm essential to the success of the business plan of the company; and

(8) such other information as the Administrator may require.

(c) CONDITIONAL APPROVAL.—

(1) IN GENERAL.—In considering companies submitting applications under subsection (b), the Administrator shall conditionally approve companies to operate as Renewable Fuel Capital Investment companies.

(2) SELECTION CRITERIA.—In conditionally approving companies under paragraph (1), the Administrator shall consider—

(A) the likelihood that the company will meet the goal of its business plan;

(B) the experience and background of the management team of the company;

(C) the need for operational assistance to smaller enterprises financed, or expected to be financed, by such companies;

(D) the extent to which the company will expand economic opportunities in the geographic areas in which the company intends to invest;

(E) the likelihood that the company will be able to satisfy the conditions under subsection (d); and

(F) the extent to which the activities proposed by the company will expand economic opportunities in the geographic areas in which the company intends to invest;

(g) the strength of the proposal by the company to provide operational assistance under this part as the proposal relates to the ability of the company to meet applicable cash requirements and properly use in-kind contributions, including the use of resources for services of an administrative nature, when necessary, whether provided by employees or contractors; and

(h) any other factor determined appropriate by the Administrator.

(d) REQUIREMENTS TO BE MET FOR FINAL APPROVAL.

(1) IN GENERAL.—The Administrator shall grant each conditionally approved company 2 years to satisfy the requirements of this subsection.

(2) CAPITAL REQUIREMENT.—Each conditionally approved company shall raise not less than $3,000,000 of private capital or binding capital commitments from 1 or more investors, which shall consist of the investment of the Federal Government or an agency of the Federal Government.

(3) NONADMINISTRATION RESOURCES FOR OPERATIONAL ASSISTANCE.

(A) IN GENERAL.—In order to provide operational assistance to smaller enterprises expected to be financed by the company, each conditionally approved company shall have binding commitments (for contribution in cash or in-kind) from sources other than the Administrator that meet criteria established by the Administrator:

(i) from sources other than the Administrator that meet criteria established by the Administrator; and

(ii) binding commitments in an amount equal to not less than 20% of the total amount required under subparagraph (A) and

(iii) to be made to the company under this part and described in subparagraph (A) of paragraph (2) and shall, to the maximum extent practicable, approve at least one company from each geographic region of the Administration.

(e) FINAL APPROVAL; DESIGNATION.—The Administrator shall, with respect to each applicant conditionally approved under subsection (c),

(1) grant final approval to the applicant to operate as a Renewable Fuel Capital Investment company under this part and designate the applicant as such a company, if the applicant—

(A) satisfies the requirements of subsection (d) on or before the expiration of the time period described in that subsection; and

(B) enters into a participation agreement with the Administrator; or

(2) if the applicant fails to satisfy the requirements of subsection (d) on or before the expiration of the time period described in paragraph (1) of that subsection, revoke the conditional approval granted under that subsection.

SEC. 385. DEBENTURES.

(a) IN GENERAL.—The Administrator may guarantee the timely payment of principal and interest on debentures issued by any Renewable Fuel Capital Investment company.
"(b) TERMS AND CONDITIONS.—The Administrator may make guarantees under this section on such terms and conditions as it determines appropriate, except that—

(1) no guarantee shall be made under this section if the Administrator determines that a grant made under subsection (a) is likely to be or is expected to be used for the purpose of purchasing or acquiring, and shall be paid under, a guarantee of a trust certificate issued by the Administrator or its agents under this section; and

(2) any guarantee made under this section shall not exceed 15 years.

(2) a debenture guaranteed under this section—

(A) shall carry no front-end or annual fees; and

(B) shall be issued at a discount; for purposes of paragraph (1), private capital shall include capital that is considered to be Federal funds, if such capital is contributed by an investor other than a department or agency of the Federal Government.

SEC. 386. ISSUANCE AND GUARANTEE OF TRUST CERTIFICATES.

(a) Issuance.—The Administrator may issue trust certificates representing ownership of all or a fractional part of debentures issued by a Renewable Fuel Capital Investment company and guaranteed by the Administrator under this part, if such certificates are based on and backed by a trust or pool of obligations of the United States as may be designated by the Administrator.

(b) Guarantee.—

(1) IN GENERAL.—Under this section, the Administrator may guarantee the debentures issued by a Renewable Fuel Capital Investment company and guaranteed by the Administrator under this part, if such debentures are based on and backed by a trust or pool of obligations of the United States as determined by the Administrator.

(2) LIMITATION.—The Administrator under this section may guarantee no more than 150 percent of the private capital of the company, as determined by the Administrator.

(3) MANAGEMENT AND ADMINISTRATION.—

(A) REGISTRATION.—The Administrator may provide for a central registration of all trust certificates issued under this section.

(B) PRO RATA REDUCTIONS.—If the amount made available to carry out this section is insufficient for the Administrator to provide grants in the amounts provided for in paragraph (9), the Administrator shall make pro rata reductions in the amounts otherwise payable to each company and entity under such paragraph.

(4) LIMITATION.—None of the assistance made available under this section may be used for any overhead or general and administrative expenses of a Renewable Fuel Capital Investment company.

SEC. 388. BANK PARTICIPATION.

(a) IN GENERAL.—Except as provided in subsection (b), no bank, unless the bank is a Federal Reserve System bank, may participate in any guarantee under this part, if such bank is a member of the Federal Reserve System.

(b) ANNUAL ADJUSTMENT.—Each fee contribution under subsection (a) shall be effective for 1 fiscal year and shall be adjusted as necessary for each fiscal year thereafter to ensure that amounts under subsection (a) are fully used. The fee contribution for a fiscal year shall be on the outstanding commitments and guarantees and grants that the Administrator projects will be made during that fiscal year, given the monthly payment for any enterprise in that fiscal year and any other factors that the Administrator determines appropriate.
"(b) LIMITATION.—No bank described in subsection (a) may make investments de­scribed in such subsection that are greater than 5 percent of the capital and surplus of the bank and the bank shall provide to the Administrator such information as the Administrator may require, including—

(1) information related to the measure­ments of the project and the company proposed in its program application; and

(2) in each case in which the company makes, under this part, an investment in, or a loan or a grant to, a business that is not primarily engaged in the research, development, manu­facture, or bringing to market or renewable energy sources, a report on the nature, origin, and revenues of the business in which investments are made.

SEC. 393. EXAMINATIONS.

(a) IN GENERAL.—Each Renewable Fuel Capital Investment company that participates in the program established under this part shall provide to the Administrator such information as the Administrator may require, including—

(1) information related to the measure­ments of the project and the company proposed in its program application; and

(2) in each case in which the company makes, under this part, an investment in, or a loan or a grant to, a business that is not primarily engaged in the research, development, manu­facture, or bringing to market or renewable energy sources, a report on the nature, origin, and revenues of the business in which investments are made.

SEC. 394. MISCELLANEOUS.

(a) IN GENERAL.—The Administrator may require, including—

(1) information related to the measure­ments of the project and the company proposed in its program application; and

(2) in each case in which the company makes, under this part, an investment in, or a loan or a grant to, a business that is not primarily engaged in the research, development, manu­facture, or bringing to market or renewable energy sources, a report on the nature, origin, and revenues of the business in which investments are made.

SEC. 396. REGULATIONS.

(a) SMART GRID ADVISORY COMMITTEE AND SMART GRID TASK FORCE.

(1) ESTABLISHMENT.—The Secretary shall establish, within 90 days of enactment of this Part, a Smart Grid Advisory Committee (eit­her as an independent entity or as a desig­nated sub-part of a larger advisory commit­tee on electricity matters). The Smart Grid Advisory Committee shall include eight or more members appointed by the Secretary who have sufficient experience and expertise to represent the full range of smart grid technologies and services, and to represent both customers and stakeholders. One member shall be appointed by the Secretary to Chair the Smart Grid Advis­ory Committee.

(b) SMART GRID TASK FORCE.—

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development; development of widely accepted smart-grid standards and protocols; the relationship of smart-grid technologies and practices to electricity utility regulation; the relationship of smart-grid technologies and practices to infrastructure development, system reliability and security; and the relationship of smart-grid technologies and practices to federal agencies, and other stakeholders, shall carry out a program in cooperation with the Federal Energy Regulatory Commission, the Smart Grid Task Force shall coordinate with the Smart Grid Advisory Committee and other appropriate agencies, and shall work with the States, electric utilities, and other stakeholders, shall carry out a program—

(a) POWER GRID DIGITAL INFORMATION TECHNOLOGY. The Secretary, in consultation with the Federal Energy Regulatory Commission and other appropriate agencies, shall support the operations of the Smart Grid Advisory Committee and other appropriate agencies, and shall carry out a program—

(1) to develop advanced techniques for measuring peak load reductions and energy efficiency and the benefits of smart grid technologies, demand response, distributed generation, and electricity storage systems;

(2) to investigate means for demand response, distributed generation, and storage to provide ancillary services;

(3) to conduct research to advance the use of wide-area measurement and control networks, including the development of smart grid devices and systems. Such protocols and standards shall have primary responsibility to coordinate the development of a framework of protocols and model standards for information management to achieve interoperability of smart grid devices and systems. Such protocols and standards shall further align policy, business, and technology approaches in a manner that would enable all electric resources, including demand-side resources, to contribute to an efficient electricity network. In developing such protocols and standards—

(A) the Director shall seek input and cooperation from the Commission, OEDER and its Smart Grid Task Force, the Smart Grid Advisory Committee, other relevant Federal and State agencies; and

(B) the Director shall also solicit input and cooperation from private entities interested in such protocols and standards, including but not limited to the GridWise Architecture Council, the International Electrical and Electronics Engineering Institute, the National Grid, the Smart Grid Research Coalition, and the Institute of Electrical and Electronics Engineers. The Commission shall institute a rulemaking proceeding to adopt such standards and protocols as may be necessary to ensure smart-grid functionality and interoperability in the transmission of electric power, and regional and wholesale electricity markets.

(c) AUTHORIZATION. There are authorized to be appropriated—

(1) to carry out subsection (a), such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) to carry out subsection (b), $100,000,000 for each of fiscal years 2008 through 2012.

SEC. 1305. SMART GRID INTEROPERABILITY FRAMEWORK.

(a) INTEROPERABILITY FRAMEWORK. The Director shall develop protocols and model standards and shall carry out a program to develop, operate, and maintain a comprehensive framework of protocols and model standards for information management to achieve interoperability of smart grid components within the United States and at least 1 area in which the majority of generation and transmission assets are controlled by a tax-exempt entity.

(b) REQUIREMENTS. The framework developed under this section shall be open, and shall—

(A) be nationally interoperable, allowing the appliance to engage in Smart Grid functions;

(B) be flexible to incorporate—

(1) technologies for use in power grid sensing, and demand response and enabling devices and systems;

(2) to be flexible to incorporate—

(A) regional and organizational differences; and

(B) technological innovations;

(c) LOCAL UTILITY INVOICING. The framework developed under this section shall be—

(1) to accommodate traditional, centralized generation and transmission resources and consumer distributed resources, including distributed generation, renewable generation, and energy storage systems; and

(2) to be flexible to incorporate—

(A) regional and organizational differences; and

(B) technological innovations; and

(d) STANDARDS FOR INTEROPERABILITY IN FEDERAL JURISDICTION. The framework developed under this section shall be—

(1) to accommodate traditional, centralized generation and transmission resources and consumer distributed resources, including distributed generation, renewable generation, emission reduction strategies; and

(2) to be flexible to incorporate—

(A) regional and organizational differences; and

(B) technological innovations;
(2) In the case of specialized electricity-using equipment, including motors and drivers, installed in industrial or commercial applications, the documented expenditures incurred by the owner or its manufacturer of installing devices or modifying that equipment to engage in Smart Grid functions.

(3) In the case of transmission and distribution with monitoring and communications devices to enable smart grid functions, the documented expenditures incurred by the electric utility to purchase and install such monitoring and communications devices.

(4) In the case of metering devices, sensors, control devices, and other devices integrated with any electric utility system or retail distributor or marketer of electricity that are capable of engaging in Smart Grid functions, the documented expenditures incurred by the electric utility, distributor, or marketer and its customers to purchase and install such devices.

(5) In the case of software that enables devices or computers to engage in Smart Grid functions, the documented purchase costs of the software.

(6) In the case of entities that operate or coordinate regional electric grids, the documented expenditures for purchasing and installing such equipment that allows Smart Grid functions to operate and be coordinated among multiple electric utilities and between that region and other regions.

(7) In the case of persons or entities other than electric utilities owning and operating a distributed electricity generator, the documented expenditures of enabling that generator to be monitored, controlled, or otherwise used in grid operations and electricity flows on the grid utilizing Smart Grid functions.

(8) In the case of electric or hybrid-electric vehicles, the documented expenses for devices that allow the vehicle to engage in Smart Grid functions (but not the costs of electricity storage for the vehicle).

(9) The documented expenditures related to purchasing and implementing Smart Grid functions in such other cases as the Secretary shall identify. In making such grants, the Secretary shall seek to reward innovation and early adoption, even if success is not complete, rather than deployment of proven and commercially viable technologies.

(c) INVESTMENTS NOT INCLUDED.—Qualifying Smart Grid investments do not include any of the following:

(1) Expenditures or expenditures for Smart Grid technologies, devices, or equipment that are eligible for specific tax credits or deductions under the Internal Revenue Code, as amended.

(2) Expenditures for electricity generation, transmission, or distribution infrastructure or equipment not directly related to enabling Smart Grid functions.

(3) After the final date for State consideration of the Smart Grid Information Standard under section 1307(d)(7) of the Public Utility Regulatory Policies Act of 1978, an investment that is not in compliance with such standard.

(4) After the development and publication by the Institute of protocols and model standards for interoperability of smart grid devices and technologies, an investment that fails to incorporate any of such protocols or model standards.

(5) Expenditures for physical interconnection of generators or other devices to the grid except those that are directly related to enabling Smart Grid functions.

(6) Expenditures for ongoing salaries, benefits, or personnel costs not incurred in the initial installation, training, or start up of smart grid functions.

(7) Expenditures for travel, lodging, meals or other personal costs.

(8) Ongoing routine operation, billing, customer relations, security, and maintenance expenditures.

(9) Such other expenditures that the Secretary concludes that the qualifying Smart Grid Investments by reason of the lack of the ability to perform Smart Grid functions or lack of direct relationship to Smart Grid functions.

(d) SMART GRID FUNCTIONS.—The term “smart grid functions” means any of the following:

(1) The ability to develop, store, send and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, other information relevant to device, grid, or utility operations, to or from or by means of the electric utility system, through one or a combination of devices and technologies.

(2) The ability to develop, store, send and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, other information relevant to device, grid, or utility operations, to or from or by means of the electric utility system, through one or a combination of devices and technologies.

(3) The ability to detect, prevent, communicate with regard to, respond to, or recover from system security threats, including cyber-security threats and terrorism, using digital information, media, and devices.

(4) The ability of any appliance or machine to respond to such signals, measurements, or communications automatically or in a manner programmed by its owner or operator without independent human intervention.

(5) The ability to use digital information to operate, automate, and control the electric utility grid that were previously electro-mechanical or manual.

(6) The ability to use digital controls to manage and modify electricity demand, enable congestion management, assist in voltage control, provide operating reserves, and provide frequency regulation.

(7) Such other functions as the Secretary may identify as being necessary or useful to the operation of a Smart Grid.

(e) The Secretary shall:

(1) establish and publish in the Federal Register, within one year after the enactment of this Act procedures by which applicants for funding under this section may apply to participate in the Smart Grid Information program;

(2) specify the information and documentation required of applicants for funding under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out the provisions of this section.

(g) ADMINISTRATION.—The Secretary shall ensure that the Federal Energy Regulatory Commission, referred to in subsection (a)(6) of the Federal Power Act (16 U.S.C. 792) and the Federal Energy Regulatory Commission, referred to in subsection (a)(6) of the Federal Power Act (16 U.S.C. 792(c)(3)), respectively, having jurisdiction over electric utilities, have sufficient personnel and resources to carry out the provisions of this section.

(h) STATE CONSIDERATION OF SMART GRID INVESTMENTS.—(1) In general.—Each State shall consider requiring that, prior to undertaking investments in nonadvanced grid technologies, and before deploying a qualified smart grid system to the State that the electric utility considered an investment in a qualified smart grid system based on appropriate factors, including:

(i) total costs;

(ii) cost-effectiveness;

(iii) improved reliability;

(iv) security;

(v) system performance; and

(vi) societal benefit.

(2) Rate recovery.—Each State shall consider authorizing each electric utility of the State to recover from ratepayers any capital, operating expenditure, or other costs of deploying a qualified smart grid system, including a reasonable rate of return on the capital expenditures of the electric utility for the deployment of the qualified smart grid system.

(3) OBSCURE EQUIPMENT.—Each State shall consider authorizing each electric utility of the appropriate number of utility customers to deploy a qualified smart grid system to recover in a timely manner the remaining book-value costs of any equipment rendered obsolete by the deployment of a qualified smart grid system, based on the remaining depreciable life of the obsolete equipment.

(4) SMART GRID INFORMATION.—(1) Standard.—Electricity purchasers shall be provided direct access, in written or electronic machine-readable form as appropriate, to information from their electricity providers as provided in subparagraph (B).

(B) INFORMATION.—Information provided under this section, to the extent practicable, shall include:

(i) time-based electricity prices in the wholesale electric market of the State; and

(ii) time-based electricity retail prices or rates that are available to the purchasers.

(2) IMPOSITION.—Purchasers and other interested persons shall be provided with information on:

(i) the reasonable judgment of the Secretary.

(3) INTERVALS AND PROJECTIONS.—Updates of information on prices and usage to be offered on an hourly or daily basis, shall include hourly price and use information, where available, and shall include a day-ahead projection of such price information for the extension of the previous day.

(4) SOURCES.—Purchasers and other interested persons shall be provided annually.
with written information on the sources of the power provided by the utility, to the extent it can be determined, by type of generation, including greenhouse gas emissions associated with each type of generation, for intervals during which such information is available on a cost-effective basis.

(C) ACCESS.—Purchasers shall be able to access information at least quarterly, through the Internet and on other means of communication elected by that utility for Smart Grid applications. Other interested persons shall be able to access information not specific to any purchaser through the Internet. Information specific to any purchaser shall be provided solely to that purchaser.

(b) Compliance.—
(1) TME LIMITATIONS.—Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding the following at the end thereof:
"(6) Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).

SEC. 1308. STUDY OF THE EFFECT OF PRIVATELY OWNED ELECTRIC DISTRIBUTION FACILITIES; AND
SEC. 1309. DOE STUDY OF SECURITY ATTRIBUTES OF SMART GRID SYSTEMS.
(a) DOE Study.—The Secretary shall, within 18 months after the date of enactment of this Act, submit a report to Congress that describes the results of the study conducted under subsection (a) of section 112 of the Energy Policy Act of 1992 (42 U.S.C. 2622(b)), and the determination of the existing and potential impacts of the deployment of Smart Grid systems on improving the security of the Nation's electricity infrastructure and information-communications capability. The report shall include but not be limited to specific recommendations on each of the following:
(1) How smart grid systems can help in making the Nation's electricity system less vulnerable to disruptions due to intentional acts against the system.
(2) How smart grid systems can help in restoring the integrity of the Nation's electricity system subsequent to disruptions.
(3) How smart grid systems can facilitate nationwide, interoperable emergency communications and control of the Nation's electricity system during times of localized, regional, or nationwide emergency.
(4) What risk-based approach, if any, can be taken into account that smart grid systems may, if not carefully created and managed, create vulnerability to security threats of any sort, and how such risks can be mitigated.
(5) Barriers.
(b) Consultation.—The Secretary shall consult with the Federal agencies in the development of the report under this section, including, but not limited to, the Secretary of Homeland Security, the Federal Energy Regulatory Commission, and the Electric Reliability Organization that licensed the Secretary of Homeland Security, the Federal Energy Regulatory Commission, and the Electric Reliability Organization certified by the Commission under section 212(c) of the Federal Power Act (16 U.S.C. 824o) as added by section 1211 of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat. 941).

TITLE XIV—POOL AND SPA SAFETY
SEC. 1401. SHORT TITLE.
This title may be cited as the "Virginia Graeme Baker Pool and Spa Safety Act".

SEC. 1402. FINDINGS.
Congress finds the following:
(1) Of injury-related deaths, drowning is the second leading cause of death in children aged 1 to 14 in the United States.
(2) In 2004, 761 children aged 14 and under died as a result of unintentional drowning.
(3) Adult supervision at all aquatic venues is a critical safety factor in preventing children from drowning.
(4) Research studies show that the installation and proper use of barriers or fencing, as well as additional layers of protection, could substantially reduce the number of childhood residential swimming pool drownings and near drownings.

SEC. 1403. DEFINITIONS.
In this title:
(1) ASME/ANSI.—The term "ASME/ANSI" as applied to a standard means such a standard that is accredited by the American National Standards Institute and published by the American Society of Mechanical Engineers.
(2) BARRIER.—The term "barrier" includes a natural or constructed topographical feature that prevents unpermitted access by children to a swimming pool, and, with respect to a hot tub, a lockable cover.
(3) COMMISSION.—The term "Commission" means the Consumer Product Safety Commission.
(4) MAIN DRAIN.—The term "main drain" means a submerged suction outlet typically located at the bottom of a pool or spa to conduct water away from the pump.
(5) SAFETY VACUUM RELEASE SYSTEM.—The term "safety vacuum release system" means a vacuum release system capable of providing vacuum release at a suction outlet caused by a high vacuum occurrence due to a suction outlet flow blockage.

SEC. 1404. FEDERAL SWIMMING POOL AND SPA DRAIN COVER STANDARD.
(a) CONSUMER PRODUCT SAFETY RULE.—The requirements described in paragraph (b) shall be treated as a consumer product safety rule issued by the Consumer Product Safety Commission under the Consumer Product Safety Act (15 U.S.C. 2051 et seq.).
(b) DRAIN COVER STANDARD.—Effective 1 year after the date of enactment of this title, each swimming pool or spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.

SEC. 1405. PUBLIC POOL AND SPA.
(1) REQUIRED EQUIPMENT.—(A) IN GENERAL.—Beginning 1 year after the date of enactment of this title, each public pool and spa in the United States shall be equipped with anti-entrapment devices or systems that comply with the ASME/ANSI A112.19.8 performance standard and any successor standards; and
(ii) each public pool and spa in the United States with a single main drain other than an unblockable drain shall be equipped, at a minimum, with 1 or more of the following devices or systems designed to prevent entrapment by pool or spa drains that meets the requirements of subparagraph (B):
(i) SAFETY VACUUM RELEASE SYSTEM.—A safety vacuum release system which ceases operation of the pump, reverses the circulation flow, or otherwise provides a vacuum release when a suction outlet flow blockage is detected, that has been tested by an independent third party and found to conform to ASME/ANSI standard A112.19.17 or ASTM standard A112.19.17.
(ii) SUCTION-LIMITING VENT SYSTEM.—A suction-limiting vent system with a tamper-resistant atmospheric opening.
(iii) GRAVITY DRAIN SYSTEM.—A gravity drainage system that utilizes a collector tank.
(iv) AUTOMATIC PUMP SHUT-OFF SYSTEM.—An automatic pump shut-off system.
(v) DRAIN ABATEMENT.—A device or system that disables the drain.
(2) OTHER SYSTEMS.—Any other system determined by the Commission to be equally effective as, or better than, the systems described in subclauses (I) through (V) of this clause at preventing or eliminating the risk of injury or death associated with pool drainage systems.

SEC. 1406. APPLICABLE STANDARDS.
(1) MANDATORY.—Each swimming pool or spa drain cover installed in the United States shall be manufactured, distributed, or entered into commerce in compliance with the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.

SEC. 1407. EXCEPTIONS.
Each public pool and spa in the United States with a single main drain other than an unblockable drain shall be equipped, at a minimum, with 1 or more of the following devices or systems designed to prevent entrapment by pool or spa drains that meets the requirements of subparagraph (B):—

SEC. 1408. SMART GRID."
(i) members of an organization and their guests;  
(ii) residents of a multi-unit apartment building, apartment complex, residential real estate, or other similar privately residential area (other than a municipality, township, or other local government jurisdiction); or  
(iii) operated for a hotel or other public accommodations facility; or  
(C) operated by the Federal Government (or by a concessionaire on behalf of the Federal Government) for the benefit of members of the Armed Forces and their dependents or employees of any department or agency and their dependents.

(3) Enforcement.—Violation of paragraph (1) shall be considered to be a violation of section 19(a)(1) of the Consumer Product Safety Act (15 U.S.C. 2068(a)(1)) and may also be enforced under section 17 of that Act (15 U.S.C. 2066).

SEC. 1405. STATE SWIMMING POOL SAFETY GRANT PROGRAM.

(a) In general.—Subject to the availability of appropriations authorized by subsection (e), the Commission shall establish a grant program to provide assistance to eligible States.

(b) Eligibility.—To be eligible for a grant under the program, a State shall—

1. be a State that has a State statute or ordinance that provides for the enforcement of, a law that—
   (A) except as provided in section 1406(a)(1)(A)(i), applies to all swimming pools in the State; and
   (B) meets the minimum State law requirements of section 1406; and
2. submit an application to the Commission for such time, in such form, and containing such additional information as the Commission may require.

(c) Amount of grant.—The Commission shall determine the amount of a grant awarded under this title, and shall consider—

1. the population and relative enforcement needs of each qualifying State; and
2. allocation of grant funds in a manner designed to provide the maximum benefit from the program in terms of protecting children from drowning or entrapment, and, in making that allocation, shall give priority to States that have not received a grant under this title in a preceding fiscal year.

(d) Use of grant funds.—A State receiving a grant under this section shall use—

1. at least 50 percent of amounts made available to hire and train enforcement personnel for implementation and enforcement of standards under the State swimming pool and spa safety law; and
2. the remainder for—
   (A) to educate pool construction and installation companies and pool service companies about the standards;  
   (B) to educate pool owners, pool operators, and other members of the public about the standards under the swimming pool and spa safety law and about the prevention of drowning and entrapment of children using swimming pools and spas; and
   (C) to defray administrative costs associated with such training and education programs.

(e) Authorization of Appropriations.—There are authorized to be appropriated to the Commission for each of fiscal years 2008 and 2009 $5,000,000 to carry out the education program authorized by subsection (a).

(f) Authorization of Appropriations.—

SEC. 1406. MINIMUM STATE LAW REQUIREMENTS.

(a) In general.—A State shall meet the minimum State law requirements of this section if—

1. the State requires by statute—
   (i) the enclosure of all outdoor residential pools and spas by barriers to entry that will effectively prevent small children from gaining unsupervised and unattended access to the pool or spa;  
   (ii) that all pools and spas be equipped with devices and systems to prevent entrapment by pool or spa drains;  
   (iii) that pools and spas built more than 1 year after the date of the enactment of such statute have—
      (I) more than 1 drain;  
      (II) 1 or more unblockable drains; or  
      (III) no main drain;  
   (iv) every swimming pool and spa that has a main drain, other than an unblockable drain, be equipped with a drain cover that meets the consumer product safety standard established by section 1404; and
   (v) that periodic notification is provided to owners of residential swimming pools or spas about compliance with the entrapment prevention requirements of A112.19.8 performance standard, or any successor standard; and  
(b) The State meets such additional State law requirements related to pools and spas as the Commission may establish after public notice and a 30-day public comment period.

2. There shall be considered to be a violation of paragraph (1)(A) if the drain with an audible alert device or alarm which is Aware of pool and spa safety.

3. The State requires by statute—

4. Any other system described in subparagraphs (B) through (E) of paragraph (1) shall meet the requirements of any ASME/ANSI or ASTM performance standard if there is such a standard for such a device or system, or any applicable consumer product safety standard.

SEC. 1407. EDUCATION PROGRAM.

(a) In general.—The Commission shall establish and carry out an education program to inform the public of methods to prevent drowning and entrapment in swimming pools and spas. In carrying out the program, the Commission shall develop—

1. educational materials designed for pool manufacturers, pool service companies, and pool supply retail outlets;  
2. educational materials designed for pool owners and operators; and
3. a national media campaign to promote awareness of pool and spa safety.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Commission for each of the fiscal years 2008 through 2012 $5,000,000 to carry out the education program authorized by subsection (a).

SEC. 1408. CPSC REPORT.

Not later than 1 year after the last day of each fiscal year for which grants are made under section 1405, the Commission shall submit to Congress a report evaluating the implementation of the grant program authorized by that section.

TITLE XV—CLEAN RENEWABLE ENERGY AND CONSERVATION TAX ACT OF 2007

SEC. 1500. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) Short title.—This title may be cited as the “Clean Renewable Energy and Conservation Tax Act of 2007”.

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act or any amendment thereto an incorporated term is expressed in terms of an amendment to, or repeal of, a section or other provision of the Internal Revenue Code of 1986, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 2007.

Subtitle A—Clean Renewable Energy Production Incentives

PART I—PROVISIONS RELATING TO RENEWABLE ENERGY

SEC. 1501. EXTENSION AND MODIFICATION OF RENEWABLE ELECTRICITY AND REFINED COAL PRODUCTION CREDIT.

(a) Extension.—

(1) In general.—Section 45(d) (relating to qualified facilities) is amended by striking “January 1, 2009” each place it appears in paragraphs (1), (2), (3), (4), (5), (6), (7), (8), and (9) and inserting “January 1, 2011”.

(2) Effective date.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(b) Modification of Refined Coal as a Qualified Energy Resource.—

(1) Elimination of increased market value requirement.—Section 45(c)(7)(A) (defining refined coal) is amended by striking clause (iv),
(B) by adding “and” at the end of clause (1), and (C) by striking “and” at the end of clause (iii) and inserting a period.

(2) SECTION 45(c)(7)(B) DEFINING QUALIFIED EMISION REDUCTION.—Section 45(c)(7)(B) (defining qualified emission reduction) is amended by inserting “at least 40 percent of the emissions of” after “energy” and inserting “percentage” after “fossil fuels”. (3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to coal produced and sold after December 31, 2007.

(c) FOR ON-SITE USE OF ELECTRICITY PRODUCED FROM BIOMASS.—(1) ON-SITE USE.—Section 45(e) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

“(12) CREDIT ALLOWED FOR ON-SITE USE OF ELECTRICITY PRODUCED FROM BIOMASS.—In the case of electricity produced after December 31, 2007, at any facility described in paragraph (2) or (3) which is equipped with net metering to determine electricity consumption or sale (such consumption or sale to be verified by a third party as determined by the Secretary), subsection (a)(2) shall be applied without regard to subparagraph (B) thereof.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(2) RESOURCES.—(A) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—(1) IN GENERAL.—Section 45(c)(1) (defining qualified energy sources) is amended by striking “and” at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting “,” and, and by adding at the end the following new subparagraph:

“(I) wave, current, tidal, and ocean thermal energy.”

(2) EXTENSION OF RESOURCES.—Section 45(c) is amended by adding at the end the following new paragraph:

“(10) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—The term ‘wave, current, tidal, and ocean thermal energy’ means electric energy produced from any of the following:

(A) Free flowing ocean water derived from tidal, ocean, or estuary currents.

(B) Ocean thermal energy.”

(3) FACILITIES.—Section 45(d) is amended by adding at the end the following new paragraph:

“(11) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL FACILITY.—In the case of a facility using energy from wave, current, tidal, ocean thermal energy means electric energy produced from any of the following:

(A) Free flowing ocean water derived from tidal, ocean, or estuary currents, waves, or estuary currents.

(B) Ocean thermal energy.”

(4) DETERMINATIONS MADE ON BTU BASIS.—The energy efficiency percentage and the energy capacity of more than 20,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(5) CONFORMING AMENDMENTS.—(A) Paragraph (1)(C) shall not apply, but (B) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this paragraph) as the energy efficiency percentage of such system bears to 60 percent.

(d) INCREASE OF CREDIT LIMITATION FOR FUEL CELL PROPERTY.—(1) IN GENERAL.—Section 48(c) (defining fuel cell property) is amended by striking “$500” and inserting “$1,500.”

(e) PUBLIC ELECTRIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—(1) IN GENERAL.—Paragraph (3) of section 48(m) is amended by striking the second sentence thereof.

(f) EFFECTIVE DATE.—(1) GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ALLOWANCES AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by section (c) shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(3) EXTENDED CREDIT LIMITATION.—The credit limitations made by subsections (c) and (d) shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under regulations prescribed by the Secretary of the Treasury by not later than January 1, 2017.

(4) ALTERNATIVE MINIMUM TAX.—The provisions made by sections (c) and (d) shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under regulations prescribed by the Secretary of the Treasury.

(5) CLERICAL AMENDMENTS.—Paragraphs (1)(B) (as in effect on the day before the date of the enactment of this Act) and (2)(B) of subsection (a) are each amended by striking “paragraph (1)” and inserting “subsection (a).”

(6) EFFECTIVE DATE.—(1) GENERAL.—The amendments made by this subsection shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act) in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(4) Public electric utility property.—
The amendments made by subsection (e) shall apply to periods after June 20, 2007. In taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 1503. EXTENSION AND MODIFICATION OF CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) Extension.—Section 25D(g) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2014.”

(b) Maximum Credit for Solar Electric Property.—

(1) In general.—Section 25D(b)(1)(A) (relating to maximum credit) is amended by striking “$2,000” and inserting “$4,000”.

(2) Conforming Amendment.—Section 25D(e)(4)(A)(i) is amended by striking “$6,667” and inserting “$13,334”.

(c) Credit for Residential Wind Property.—

(1) In general.—Section 25D(a) (relating to allowance of credit) is amended by striking “and” at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting “and”, and by adding at the end the following new paragraph:

“(4) 30 percent of the qualified small wind energy property expenditures made by the taxpayer during such year.

(2) Limitation.—Section 25D(b)(1) (relating to maximum credit) 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 at the end the following new subparagraph:

“(D) $500 with respect to each half kilowatt of capacity (not to exceed $4,000) of wind turbines for which qualified small wind energy property expenditures were made.”

(d) Qualified Small Wind Energy Property Expenditures.—

(A) In general.—Section 25D(d) (relating to definitions) is amended by adding at the end the following new clause:

“(4) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURES.—The term ‘qualified small wind energy property expenditure’ means an expenditure for property which uses a wind turbine to generate electricity for use in connection with a dwelling unit located in the United States and used as a residence during such year.

(B) No Double Benefit.—Section 45(d)(1) (relating to wind facility) is amended by adding at the end the following new sentence:

“Such term shall not include any facility with respect to which any qualified small wind energy property expenditure (as defined in subsection (d)(4) of section 25D) is taken into account in determining the credit under such section.”

(e) Maximum Expenditures in Case of Joint Occupancy.—Section 25D(e)(4)(A) (relating to maximum expenditures) is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, and”, and by adding at the end the following new clause:

“(iv) $1,667 in the case of each half kilowatt of capacity (not to exceed $13,333) of wind turbines for which qualified small wind energy property expenditures are made.

(f) Credit Allowed Against Alternative Minimum Tax.—

(1) In general.—Subsection (c) of section 25D is amended as follows:

“(c) Limitation Based on Amount of Tax; Carryforward of Unused Credit.—

“(1) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for the taxable year shall be limited to the excess of the applicable credit rate, multiplied by the sum of the credits allowable under subsection (a) for such taxable year, over the amount determined with respect to any credit for the taxable year under subsection (a), times the applicable credit rate, multiplied by the sum of the credits allowable under subsection (a) for such succeeding taxable year.

“(2) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) for such taxable year, plus the credit allowable under subsection (a) for any preceding taxable year, 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 succeeding taxable year.

“(B) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) for such taxable year, plus the credit allowable under subsection (a) for any preceding taxable year, 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 succeeding taxable year.

“(C) CONFORMING AMENDMENTS.—

(A) Section 25B(b)(3)(B) is amended by inserting “and section 25D” after “this section”.

(B) Section 25B(b)(3)(B) is amended by striking “and 25B” and inserting “, 25B, and 25D”.

(C) Section 25B(g)(2) is amended by striking “section 23” and inserting “sections 23 and 25D”.

(D) Section 26(a)(1) is amended by striking “and 25B” and inserting “25B, and 25D”.

(2) Effective Dates.—

(A) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to expenditures after December 31, 2007.

(B) Allowance Against Alternative Minimum Tax.—

(A) In general.—The amendments made by subsection (b) shall apply to taxable years beginning after the date of the enactment of this Act.

(B) Application of Everthra Sunset.—The amendments made by subparagraphs (A) and (B) of subsection (d)(2) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provisions of such Act to which such amendments relate.

SEC. 1504. EXTENSION AND MODIFICATION OF SPECIAL RULES TO IMPLEMENT FERC AND STATE ELECTRIC RESTRUCTURING POLICY.

(a) Extension for Qualified Electric Utilities.—

(1) In general.—Paragraph (3) of section 451(i) (relating to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or State electric restructuring policy) is amended by inserting “(before January 1, 2010, in the case of a qualified electric utility)” after “January 1, 2008.”

(2) Qualified Electric Utility.—

Subsection (i) of section 451 is amended by redesignating paragraphs (6) through (10) as paragraphs (7) through (11) respectively, and by inserting after paragraph (5) the following new paragraph:

“(6) QUALIFIED ELECTRIC UTILITY.—For purposes of this subsection, the term ‘qualified electric utility’ means a person that, as of the date of the qualifying electric transaction, is vertically integrated, in that it is both—

“(A) a transmitting utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23)) that is responsible for the transmission facilities to which the election under this subsection applies, and

“(B) an electric utility (as defined in section 3(16) of the Federal Power Act (16 U.S.C. 796(22))).”

(b) Extension of Period for Transfer of Operational Control.—Authorized by FERC—

Clause (ii) of section 451(i)(A)(B) is amended by striking “December 31, 2007” and inserting “the date which is 4 years after the close of the taxable year in which the transaction occurs”.

(c) Property Located Outside the United States Not Treated as Exempt Utility Property.—

Subsection (c) of section 451(i) is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—The term ‘exempt utility property’ shall not include any property which is located outside the United States.”

(d) Effective Dates.—

(1) Extension.—The amendments made by subsection (a) shall apply to transactions after December 31, 2007.

(2) Transfers of Operational Control.—The amendment made by subsection (b) shall take effect as if included in section 909 of the American Jobs Creation Act of 2004.

(3) Exception for Property Located Outside the United States.—The amendment made by subsection (c) shall apply to transfers after the date of the enactment of this Act.

SEC. 1505. NEW CLEAN RENEWABLE ENERGY BONDS.

(a) In General.—Part IV of subchapter A of chapter 1 (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. 54B. New clean renewable energy bonds.”

“Sec. 54A. Credit to holders of qualified tax credit bonds.

“Sec. 54B. New clean renewable energy bonds.”

“Sec. 54A. Credit to holders of qualified tax credit bonds.

“Sec. 54B. New clean renewable energy bonds.”
“(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 allowed for this purpose 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 25(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 any 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 new renewable energy bond 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 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 rules 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 repaid prior to the end of the 3-year period conditional upon such fund being funded at a rate not more than the average annual interest rate of tax-exempt obligations bearing interest at a rate greater than the discount rate determined under section 142(b)(1).

“(D) Maturity limitation.—

“For purposes of this subpart, the term ‘maturity’ means the date on which the obligation to repay the principal on the bond is extinguished.

“(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) 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 5 percent of such proceeds), and

“(B) the proceeds from any investment of the excess described in subparagraph (A).

“(5) Credit treated as interest.—For purposes of this subtitile, the credit determined under subsection (a) shall be treated as interest which is includable in gross income for purposes of section 142(b)(1).”

“(7) S Corporations and partnerships.—

“In the case of a qualified tax credit bond held by an S corporation or partnership, the allocation of the tax credit determined under this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

“(8) 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 allocated to the shareholders of such corporation or the 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.

“(9) 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. For purposes of any separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing such 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 1226 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.”

“SEC. 54B. NEW CLEAN RENEWABLE ENERGY BONDS.

“(a) New clean renewable energy bond.—For purposes of this subpart, the term ‘new clean renewable energy bond’ means an obligation of such issuer that—

“(B) the bond is issued on or after the date of issuance of the credit allowance date and maturing not later than 18 months after the date the original issuance is paid.

“(4) Other definitions.—For purposes of this section—

“(A) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(b) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.

“(d) Limitation on amount of bonds designated.—

“(C) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“Such term includes the last day on which the bond is outstanding.
shall not exceed the limitation amount allocated under this subsection to such issuer.

“(2) NATIONAL LIMITATION ON AMOUNT OF BONDS DISBURSED.—There is a national new clean renewable energy bond limitation of $2,000,000,000 which shall be allocated by the Secretary as provided in paragraph (3), except that—

“(A) no more than 33 1⁄3 percent thereof may be allocated to qualified projects of public power providers,

“(B) no more than 33 1⁄3 percent thereof may be allocated to qualified projects of governmental bodies, and

“(C) no more than 33 1⁄3 percent thereof may be allocated to qualified projects of cooperative electric companies, respectively, in such paragraphs (8) and (10) thereof and to any paragraphs which require more frequent or more detailed reporting.

“(3) METHOD OF ALLOCATION.—

“(A) ALLOCATION AMONG PUBLIC POWER PROVIDERS.—After the Secretary determines the qualified projects of public power providers which are appropriate for receiving an allocation of the national new clean renewable energy bond limitation, the Secretary shall, to the maximum extent practicable, make allocations among such projects in such a manner that the amount allocated to each such project bears the same ratio to the cost of such project limitation under paragraph (2)(A) bears to the cost of all such projects.

“(B) ALLOCATION AMONG GOVERNMENTAL BODIES AND COOPERATIVE ELECTRIC COMPANIES.—The Secretary shall make allocations of the amount of the national new clean renewable energy bond limitation described in paragraphs (2)(B) and (2)(C) among qualified projects of governmental bodies and cooperative electric companies, respectively, in such manner as the Secretary determines appropriate.

“(c) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED RENEWABLE ENERGY FACILITY.—The term ‘qualified renewable energy facility’ means a qualified facility (as determined under section 45(d) without regard to paragraphs (b) and (t) thereof and to any placed in service date) owned by a public power provider, a governmental body, or a cooperative electric company.

“(2) PUBLIC POWER PROVIDER.—The term ‘public power provider’ means a State public authority or a public facility which is a governmental body (as defined in section 438(g)(2)) with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of the enactment of this Act).

“(3) GOVERNMENTAL BODY.—The term ‘governmental body’ means any State or Indian tribal government, or any political subdivision thereof.

“(4) COOPERATIVE ELECTRIC COMPANY.—The term ‘cooperative electric company’ means a mutual cooperative electric company described in section 803(c)(12) or section 1381(a)(2)(C).

“(5) CLEAN RENEWABLE ENERGY BOND LENDER.—The term ‘clean renewable energy bond lender’, which is a cooperative which is owned by, or has outstanding loans to, 100 or more cooperative electric companies, and is in existence on February 1, 2002, shall include any affiliated entity which is controlled by such lender.

“(6) QUALIFIED ISSUER.—The term ‘qualified issuer’ means a public power provider, a governmental body, a cooperative electric company, a clean renewable energy bond lender, or a not-for-profit electric utility which has received a loan or loan guarantee under this Act or any affiliated entity which is controlled by such lender.

“(7) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new clause:

“(8) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

“(A) IN GENERAL.—For purposes of subsection (a), the term ‘interest’ includes amounts includable in gross income under section 54A and such amounts shall be treated as paid as paid at the loan or loan guarantee application date (as defined in section 54A(o)(1)).

“(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest paid with respect to a bond described in subsection (a) of this section, the Secretary shall insert in the notice of credit tax applicable to such interest the term ‘credit tax applicable to such interest’ and the amount of such interest paid with respect to such bond shall be treated as paid as paid at the loan or loan guarantee application date (as defined in section 54A(o)(1)).

“(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate concerning the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.

“(o) CONFORMING AMENDMENTS.—

“(1) Sections 54(c)(2) and 1401(n)(3)(B) are each amended by striking ‘subpart C’ and inserting ‘subparts C and D’.

“(2) Section 1397(c)(2) is amended by striking ‘subpart H’ and inserting ‘subparts H and I’.

“(3) Section 601(b)(1) is amended by striking ‘and H’ and inserting ‘and H and I’.

“(4) The heading of subpart H of part IV of subchapter A of chapter 1 is amended by striking ‘Clean Renewable Energy Bonds’.

“(5) The table of subparts for part IV of subchapter A of chapter 1 is amended by striking ‘Clean Renewable Energy Bonds’ and inserting the following new items:

“(SUBPART H. NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

“(SUBPART I. QUALIFIED TAX CREDIT BONDS.

“(d) EFFECTIVE DATES.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

PART II—PROVISIONS RELATING TO CARBON MITIGATION AND COAL PROJECTIONS RELATING TO CARBON MITIGATION AND COAL

SEC. 1506. EXPANSION AND MODIFICATION OF ADVANCED COAL PROJECT INVESTMENT CREDIT.—

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48A(a) (relating to qualifying advanced coal project credit) is amended by adding after the period at the end of paragraph (2) and inserting ‘and’, ‘and’, and, by adding at the end the following new clause:

“(3) 3 percent thereof for such taxable year in the case of projects for which is submitted during the period described in clause (i) of section 48A(c)(3).”;

(b) HIGHEST PRIORITY FOR PROJECTS WHICH SEQUESTRER CARBON DIOXIDE EMISSIONS.—Section 48A(e)(3) is amended by adding after clause (ii), (iii) and (iv), the following new clause:

“(v) for an allocation from the dollar amount specified in clause (i) of paragraph (3)(A) during the 3-year period beginning on the date the Secretary establishes the program under paragraph (1), and

“(vi) for an allocation from the dollar amount specified in clause (iii) or (iv) of paragraph (3)(A) during the 3-year period beginning at the earlier of the termination of the period described in clause (i) or the date prescribed by the Secretary.”;

(c) RECAPTURE OF CREDIT FOR FAILUARE TO SEQUESTRER.—Section 48A (relating to qualifying advanced coal project credit) is amended by adding after the following new clause:

“(d) RECAPTURE OF CREDIT FOR FAILUARE TO SEQUESTRER.—The Secretary shall provide for recapturing the amount of any credit allowable under subsection (a) (with respect to any project which fails to meet the separation and sequestration requirements of section 48A(c)(1)).”;

(d) ADDITIONAL PRIORITY FOR RESEARCH PARTNERSHIPS.—Section 48A(e)(3)(B), as amended by paragraph (3)(B), is amended—

“(A) by striking ‘and’ at the end of clause (i),

“(B) by redesigning clause (ii) as clause (iv), and

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

“(ii) for an applicant participants who have a research partnership with an eligible educational institution as defined in section 52(e)(5),”;

(e) CLERICAL AMENDMENT.—Section 48A(e)(3) is amended by striking ‘INTEGRATED GASIFICATION COMBINED CYCLE’ in the heading and inserting ‘CERTAIN’.

(f) COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.—In implementing this section or section 48B, the Secretary is
directed to modify the terms of any competitive certification award and any associated closing agreement where such modification—

'(1) is consistent with the objectives of such section;

'(2) is requested by the recipient of the competitive certification award, and

'(3) involves moving the project site to improve capture and sequestration of carbon dioxide emissions, reduce costs of transporting feedstock, and serve a broader customer base,

unless the Secretary determines that the dollar amount of tax credits available to the taxpayer under such section would increase as a result of the modification or such modification would result in such project not being viable. After making such determination under such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy.

SEC. 1507. EXPANSION AND MODIFICATION OF COAL GASIFICATION INVESTMENT CREDIT.

(a) CREDIT RATE.—Section 48A(d)(1) (relating to qualifying gasification project credit) is amended by inserting ‘‘(30 percent in the case of credits allocated under subsection (d)(1)(B)) after ‘‘20 percent’’.

(b) AGGREGATE CREDITS.—Section 48B(d)(1) (relating to qualifying gasification project program) is amended by striking ‘‘shall not exceed $350,000,000’’ and all that follows and inserting ‘‘shall not exceed—

‘‘(A) $350,000,000, plus

(B) $350,000,000 for qualifying gasification project that includes equipment which separates and sequesters at least 75 percent of such a project’s total carbon dioxide emissions, under rules similar to the rules of section 48A(d)(4)(C).’’

(c) RECAPTURE OF CREDIT FOR FAILURE TO SQUEEZE.—Section 48B (relating to qualifying gasification project program) is amended by inserting after the point of disposal or injection.

(II) is measured at the source of capture and verified at the point of disposal or injection.

(III) SECURE GEOLOGICAL STORAGE.—The Secretary, in consultation with the Secretary of the Interior, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall establish regulations for determining adequate security measures for the geological storage of carbon dioxide under subparagraph (A) such that the point of capture to a secure geological storage or the point at which such qualified carbon dioxide is used as a tertiary injectant.

(B) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

(i) QUALIFIED CARBON DIOXIDE CREDIT.—The term ‘‘qualified carbon dioxide credit’’ means carbon dioxide captured from an industrial source which—

(II) is measured at the source of capture and verified at the point of disposal or injection.

(III) SECURE GEOLOGICAL STORAGE.—The Secretary, in consultation with the Secretary of the Interior, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall establish regulations for determining adequate security measures for the geological storage of carbon dioxide under subparagraph (A) such that the point of capture to a secure geological storage or the point at which such qualified carbon dioxide is used as a tertiary injectant.

(II) SECURE GEOLOGICAL STORAGE.—The Secretary, in consultation with the Secretary of the Interior, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall establish regulations for determining adequate security measures for the geological storage of carbon dioxide under subparagraph (A) such that the point of capture to a secure geological storage or the point at which such qualified carbon dioxide is used as a tertiary injectant.

(C) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 1508. SEVEN-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED CARBON DIOXIDE PIPELINE PROPERTY.

(a) IN GENERAL.—Section 168(e)(3)(C) (defining 7-year property) is amended by striking ‘‘and’’ at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

(v) any qualified carbon dioxide pipeline property—

(1) the original use of which commences with the taxpayer after the date of the enactment of this clause;

(II) is measured at the source of capture and verified at the point of disposal or injection.

(III) SECURE GEOLOGICAL STORAGE.—The Secretary, in consultation with the Secretary of the Interior, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall establish regulations for determining adequate security measures for the geological storage of carbon dioxide under subparagraph (A) such that the point of capture to a secure geological storage or the point at which such qualified carbon dioxide is used as a tertiary injectant.

(IV) TERTIARY INJECTANT.—The term ‘‘tertiary injectant’’ has the same meaning as when used within section 199.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 1509. SPECIAL RULES FOR REFUND OF THE COAL EXCISE TAX TO CERTAIN COAL PRODUCERS AND EXPORTERS.

(a) REFUND.—

(1) COLLECTION.—(I) an exporter establishes that such coal was exported or shipped, or caused by the coal producer or a party related to such coal producer to be exported or shipped.

(i) a copy or the original of one of the following: a bill of lading, a commercial invoice, or a shipper’s export declaration evidencing that such coal was exported or shipped, or caused to be exported or shipped.

(ii) an original or copy of a claim for refund described in subsection (a) made by the coal producer or the exporter.

(iii) a copy of a judgment described in clause (ii) unless the coal producer is subsequently notified, which shall be deemed to establish the export of coal covered by the judgment or such a claim of one of the following: a bill of lading, a commercial invoice, or a shipper’s export declaration evidencing that such coal was exported or shipped, or caused to be exported or shipped.

(2) EFFECTIVE DATE.—(A) in general.—Notwithstanding subsections (a)(1) and (c) of section 6516 and section 6511 of the Internal Revenue Code of 1986, if—

(i) a coal producer establishes that such coal producer, or a party related to such coal producer, exported coal produced by such coal producer to a foreign country or shipped coal produced by such coal producer to a possession of the United States, or caused such coal to be exported or shipped, the export or shipment of which was other than through a party related to the coal producer or a person who meets the requirements of paragraph (2).

(ii) such coal producer files a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act.

(iii) such coal producer establishes that such coal producer claim equal to the tax paid under section 4121 of such Code on such coal exported or shipped by the coal producer or a party related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped.

(3) SPECIAL RULES FOR CERTAIN TAXPAYERS.—For purposes of this section—

(i) in general.—If a coal producer or a party related to a coal producer has received a refund described in clause (ii) and has provided evidence as prescribed in clause (iv), the Secretary shall be deemed to have established the export of coal to a foreign country or shipment of coal to a possession of the United States under subparagraph (A)(i).

(ii) AMOUNT OF PAYMENT.—If a taxpayer described in clause (i) is entitled to a payment under subparagraph (A), the amount of such payment shall be reduced by any amount paid pursuant to the judgment described in clause (iii).

(iii) JUDGMENT DESCRIBED.—A judgment is described in this subparagraph if such judgment—

(I) was made by a court of competent jurisdiction within the United States.

(Id) relates to the constitutionality of any tax paid on exported coal under section 4121 of the Internal Revenue Code of 1986, and

(iv) ESTABLISHMENT OF EXPORT.—For purposes of this section, the Secretary shall accept a copy of the export declaration or shipper’s export document furnished by a coal producer, at the discretion of the coal producer.

(5) EFFECTIVE DATE.—(A) in general.—Notwithstanding subsections (a)(1) and (c) of section 6516 and section 6511 of the Internal Revenue Code of 1986, if—

(i) a coal producer establishes that such coal producer, or a party related to such coal producer, exported coal produced by such coal producer to a foreign country or shipped coal produced by such coal producer to a possession of the United States, or caused such coal to be exported or shipped, the export or shipment of which was other than through a party related to the coal producer or a person who meets the requirements of paragraph (2).

(ii) such coal producer files a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act.

(iii) such coal producer establishes that such coal producer claim equal to the tax paid under section 4121 of such Code on such coal exported or shipped by the coal producer or a party related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped.
(ii) such exporter filed a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and

(iii) such exporter files a claim for refund with the Secretary of the Treasury on or before the date that the Secretary determines to be 30 days after the date of the enactment of this Act;

then the Secretary shall pay to such exporter an amount equal to $0.825 per ton of such coal actually exported or shipped by the exporter, or caused to be exported or shipped, by the exporter.

(b) ESTABLISHMENT OF EXPORT.—For purposes of this section, the Secretary shall accept as proof of export or shipment from a coal exporter a copy or the original of any one of the following: a copy or the original of any one of the documents stated in clause (i) and inserting "as of the date of the enactment of this Act," the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and methods under section 6621 of such Code.

(c) DENT OF DOMIN BENNETT.—The payment under subsection (a) with respect to any coal shall not exceed—

(1) in the case of a payment to a coal producer, the amount of tax paid under section 4121 of the Internal Revenue Code of 1986 with respect to such coal by such coal producer or a party related to such coal producer, and

(2) in the case of a payment to an exporter, an amount equal to $0.825 per ton with respect to such coal exported by the exporter or caused to be exported by the exporter.

(h) APPLICATION OF SECTION.—This section applies only to claims on coal exported or shipped on or after October 1, 1990, through the date of enactment of this Act.

(i) STANDING NOT CONFERRED.—(1) EXPORTERS.—With respect to exporters, this section shall not confer standing upon any taxpayer for any judicial or administrative proceeding concerning a claim for refund by a coal producer of any Federal or State tax, fee, or royalty paid by the coal producer.

(2) COAL PRODUCERS.—With respect to coal producers, this section shall not confer standing upon a coal producer to commence, intervene in, or participate in, any judicial or administrative proceeding concerning a claim for refund by a coal producer for any tax, fee, or royalty paid by the coal producer and alleged to have been passed on to an exporter.

SEC. 1510. EXTENSION OF TEMPORARY INCREASE IN COAL(excise tax).

Paragraph (2) of section 4121(e) (relating to temporary increase termination date) is amended—

(1) by striking ‘‘January 1, 2014’’ in clause (i) and inserting ‘‘December 31, 2017’’, and

(2) by striking ‘‘January 1 after 1981’’ in clause (ii) and inserting ‘‘December 31 after 1981’’.

SEC. 1511. CARBON AUDIT OF THE TAX CODE.

(a) STUDY.—The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to estimate the magnitude of those effects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of the study authorized under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,500,000 for the period of fiscal years 2008 and 2009.

Subtitle B—Transportation and Domestic Energy Security

PART I—BIOFUELS

SEC. 1521. CREDIT FOR PRODUCTION OF CELULOSIC BIODIESEL ALCOHOL.

(a) IN GENERAL.—Subsection (a) of section 40(a) of such Code is amended by striking ‘‘plus’’ at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ‘‘plus’’, and by adding at the end the following new paragraph:

(4) the cellulosic alcohol producer credit—

(b) CELLULOSIC ALCOHOL PRODUCER CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 40(a) of such Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

(5) CELLULOSIC ALCOHOL PRODUCER CREDIT—

(A) IN GENERAL.—The cellulosic alcohol producer credit for the taxable year is an amount equal to the applicable amount for each gallon of qualified cellulosic alcohol production.

(B) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount must exceed—

(1) $1.01, over

(ii) the amount of the credit in effect for alcohol which is ethanol under subsection (b)(1)(B) with respect to such coal, the amount of tax paid under section 4121 of the Internal Revenue Code of 1986 with respect to such coal by such coal producer or a party related to such coal producer, and

(2) in the case of a payment to an exporter, an amount equal to $0.825 per ton with respect to such coal exported by the exporter or caused to be exported by the exporter.

(h) APPLICATION OF SECTION.—This section applies only to claims on coal exported or shipped on or after October 1, 1990, through the date of enactment of this Act.

(i) STANDING NOT CONFERRED.—(1) EXPORTERS.—With respect to exporters, this section shall not confer standing upon an exporter for any judicial or administrative proceeding concerning a claim for refund by a coal producer of any Federal or State tax, fee, or royalty paid by the coal producer.

(2) COAL PRODUCERS.—With respect to coal producers, this section shall not confer standing upon a coal producer to commence, intervene in, or participate in, any judicial or administrative proceeding concerning a claim for refund by a coal producer for any tax, fee, or royalty paid by the coal producer and alleged to have been passed on to an exporter.

SEC. 1510. EXTENSION OF TEMPORARY INCREASE IN COAL EXCISE TAX.

Paragraph (2) of section 4121(e) (relating to temporary increase termination date) is amended—

(1) by striking ‘‘January 1, 2014’’ in clause (i) and inserting ‘‘December 31, 2017’’, and

(2) by striking ‘‘January 1 after 1981’’ in clause (ii) and inserting ‘‘December 31 after 1981’’.

SEC. 1511. CARBON AUDIT OF THE TAX CODE.

(a) STUDY.—The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to estimate the magnitude of those effects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of the study authorized under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,500,000 for the period of fiscal years 2008 and 2009.

Subtitle B—Transportation and Domestic Energy Security

PART I—BIOFUELS

SEC. 1521. CREDIT FOR PRODUCTION OF CELULOSIC BIODIESEL ALCOHOL.

(a) IN GENERAL.—Subsection (a) of section 40(a) of such Code is amended by striking ‘‘plus’’ at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ‘‘plus’’, and by adding at the end the following new paragraph:

(4) the cellulosic alcohol producer credit—

(b) CELLULOSIC ALCOHOL PRODUCER CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 40(a) of such Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after para-
SEC. 1523. MODIFICATION OF ALCOHOL CREDIT.

(a) Income Tax Credit.—Subsection (b) of section 40 (relating to reduced credit for ethanol blenders) is amended by adding at the end the following new paragraph:

"(3) REDUCED AMOUNT AFTER SALE OF 7,500,000,000 GALLONS.—(A) IN GENERAL.—In the case of any calendar year beginning after the calendar year described in subparagraph (B), the last row in the table in paragraph (2) shall be applied by substituting 51 cents for 46 cents.".

(b) Excise Tax Credit.—Subsection (b) of section 40A (relating to alcohol fuel mixture credit) is amended by adding at the end the following new paragraph:

"(2) CONFORMING AMENDMENTS.—In the case of any alcohol fuel mixture produced in a calendar year beginning after the calendar year described in section 6426(b)(2)(A), subparagraph (A) shall be applied by substituting "36 cents" for "31 cents".".

(c) Alcohol Not Used as a Fuel, Etc.—(1) In General.—Paragraph (3) of section 40A(d) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (C) the following new subparagraph:

"(D) CREDITS FOR BIODIESEL AND RENEWABLE DROCARBONS.—In the case of any alcohol fuel mixture produced in a calendar year during which 7,500,000,000 gallons of ethanol (including cellulosic ethanol) have been produced or imported into the United States, as certified by the Secretary, in consultation with the Administrator of the Environmental Protection Agency.".

SEC. 1524. EXTENSION AND MODIFICATION OF CREDITS FOR BIODIESEL AND RENEWABLE DROCARBONS.

(a) Alcohol Fuels Credit.—Subsection (d) of section 40 is amended by adding at the end the following new paragraph:

"(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States.".

(b) Biodiesel Fuels Credit.—Subsection (d) of section 40A is amended by adding at the end the following new paragraph:

"(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States.".

(c) Effective Date.—(1) In General.—Subsection (b) of section 6426 is amended by striking "December 31, 2008" and inserting "December 31, 2009".".

SEC. 1525. MODIFICATION OF ALCOHOL CREDIT.

(a) Income Tax Credit.—Subsection (b) of section 40 (relating to reduced credit for ethanol blenders) is amended by adding at the end the following new paragraph:

"(3) REDUCED AMOUNT AFTER SALE OF 7,500,000,000 GALLONS.—In the case of any alcohol fuel mixture produced in a calendar year beginning after the calendar year described in section 6426(b)(2), subparagraph (A) shall be applied by substituting "51 cents" for "46 cents".".

(b) Excise Tax Credit.—Subsection (b) of section 40A (relating to alcohol fuel mixture credit) is amended by adding at the end the following new paragraph:

"(2) CONFORMING AMENDMENTS.—In the case of any alcohol fuel mixture produced in a calendar year beginning after the calendar year described in section 6426(b)(2), subparagraph (A) shall be applied by substituting "46 cents" for "31 cents".".

(c) Effective Date.—(1) In General.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2007.

SEC. 1526. PROVISIONS CLARIFYING TREATMENT OF FUELS WITH NO NEXUS TO THE UNITED STATES.

(a) Alcohol Fuels Credit.—Subsection (d) of section 40 is amended by adding at the end the following new paragraph:

"(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States for use as a fuel outside the United States.".

(b) Biodiesel Fuels Credit.—Subsection (d) of section 40A is amended by adding at the end the following new paragraph:

"(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States for use as a fuel outside the United States.".

(c) Effective Date.—(1) In General.—Subsection (b) of section 6426, as amended by this Act, is amended by adding at the end the following new subsection:

"(1) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—(A) Alcohol.—No credit shall be determined under this section with respect to any alcohol which is produced outside the United States for use as a fuel outside the United States.

(B) Biodiesel and Alternative Fuels.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States for use as a fuel outside the United States. For purposes of this subsection, the term ‘United States’ includes any possession of the United States.".

(2) Conforming Amendment.—Subsection (e) of section 6427 is amended by redesignating paragraph (6) as paragraph (5) and by inserting after paragraph (4) the following new paragraph:

"(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be payable under paragraph (1) or (2) with respect to any mixture or alternative fuel if
credit is not allowed with respect to such mixture or alternative fuel by reason of section 6426(i).

(d) Effective Date.—The amendments made by this subsection shall apply to fuel sold or used after the date of the enactment of this Act.

SEC. 1527. COMPREHENSIVE STUDY OF BIOFUELS.
(a) Study.—The Secretary of the Treasury, in consultation with the Secretary of Agriculture, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall enter into an agreement with the National Academy of Sciences to produce an analysis of current scientific findings to determine—
(1) current biofuels production, as well as projections for future production,
(2) the maximum amount of biofuels production capable on United States farmland, and
(3) the domestic effects of a dramatic increase in biofuels production on, for example—
(A) the price of fuel,
(B) the price of land in rural and suburban communities,
(C) crop acreage and other land use,
(D) the environment, due to changes in crop acreage, fertilizer use, runoff, water use, emissions from vehicles utilizing biofuels, and other factors,
(E) the selling price of grain crops,
(F) exports and imports of grains,
(G) taxpayers, through cost or savings to commodity crop payments, and
(H) the expansion of refinery capacity,
(i) the ability to convert corn ethanol plants for other uses, such as cellulosic ethanol or biodiesel,
(2) a comparative analysis of corn ethanol versus other biofuels and renewable energy sources, considering cost, energy output, and ease of implementation, and
(i) the need for additional scientific inquiry, and specific areas of interest for future research.
(b) Report.—The National Academy of Sciences shall submit an initial report of the findings of the report required under subsection (a) to the Congress not later than 3 months after the date of the enactment of this Act, and a final report not later than 6 months after such date of enactment.

PART II—ADVANCED TECHNOLOGY VEHICLES

SEC. 1528. CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.
(a) In General.—Subpart B of part IV of subchapter C of chapter 1 (relating to other credits) is amended by adding at the end the following new section:

"Sec. 30D. NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.
(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credit amounts determined under subsection (b) with respect to each new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year.
(b) PER VEHICLE DOLLAR LIMITATION.—
(1) In General.—The amount determined under this subsection with respect to any new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year is the sum of the amounts determined under paragraphs (2) and (3) with respect to such vehicle.
(2) Battery Capacity.—The amount determined under this paragraph is $5,000.
(3) Battery Capacity.—In the case of a vehicle which draws propulsion energy from a battery, if the battery has an electric drive motor vehicle's watts hour of capacity, the amount determined under this paragraph is $200, plus $200 for each kilowatt hour of capacity in excess of 5 kilowatt hours. The amount determined under this paragraph shall not exceed $2,000.
(c) Application With Other Credits.—
(1) HUSBAND AND WIFE.—If a husband and wife file a joint return for the taxable year (determined without regard to this subsection) that is attributable to property of a character subject to a limitation with respect to an amount equal to the sum of the credits allowable under subsection A for such taxable year (and not allowed under subsection (a)).
(2) Personals.—
(A) IN GENERAL.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under part A for such taxable year.
(B) Limitation Based on Amount of Tax.—In the case of a taxable year to which section 26(a) does not apply, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall not exceed the excess of—
(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over
(ii) the sum of the credits allowable under part A (other than this section and sections 23 and 25D) and section 27 for the taxable year.
(3) New Qualified Plug-In Electric Drive Motor Vehicle.—For purposes of this section—
(A) IN GENERAL.—The term "new qualified plug-in electric drive motor vehicle" means a motor vehicle (as defined in section 30(c)(2))—
(i) has a capacity of not less than 4 kilowatt hours, and
(ii) is capable of being recharged from an external source of electricity.
(B) Exception.—The term "new qualified plug-in electric drive motor vehicle" shall not include any vehicle which is not a passenger automobile, light truck, or manufacturer have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency and a motor vehicle which has a gross vehicle weight rating of less than 14,000 pounds, and
(C) Battery Capacity.—The term "battery capacity" with respect to any battery, the quantity of electricity which the battery is capable of storing, expressed in kilowatt hours, as measured from a 100 percent state of charge to a 0 percent state of charge.
(d) Limitation on Number of New Qualified Plug-In Electric Drive Motor Vehicles Eligible for Credit.—
(1) In General.—In the case of a new qualified plug-in electric drive motor vehicle sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (a) shall be allowed.
(2) Phaseout Period.—For purposes of this section, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the number of new qualified plug-in electric drive motor vehicles manufactured by the manufacturer of the vehicle referred to in paragraph (1) sold for use in the United States after the date of the enactment of this section, is at least 60,000.
(e) Applicable Percentage.—For purposes of paragraph (1), the applicable percentage is—
(A) 50 percent for the first 2 calendar quarters of the phaseout period,
(B) 25 percent for the 3d and 4th calendar quarters of the phaseout period, and
(C) 0 percent for each calendar quarter thereafter.
(f) Controlled Groups.—Rules similar to the rules of section 30B(e)(4) shall apply for purposes of this subsection.
(g) Special Rules.—
(1) Basis Reduction.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (c)).
(h) Recapture.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.
(i) Property Used Outside United States, Etc., Not Qualified.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 30(h)(1) or with respect to the portion of the cost of any property taken into account under section 179.
(j) Election Not to Take Credit.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects not to have this section apply to such vehicle.
(k) Property Made by Tax-Exempt Entity; Interaction with Air Quality and Motor Vehicle Safety Standards.—Rules similar to the rules of paragraphs (6) and (10) of section 30B(c) shall apply for purposes of this section.
(l) Coordination With Alternative Motor Vehicle Credit.—Section 30B(d)(3) is amended by adding at the end the following new subparagraph:
(3) No credit shall be allowed under subsection (a) for any vehicle with respect to which a credit is allowable under section 30B(c), unless determined without regard to subsection (c) thereof shall not be taken into account under this section.
(m) Credit Made Part of General Business Credit.—Section 30B(b), as amended by this Act, is amended—
(1) by striking "and" each place it appears at the end of any paragraph,
(2) by striking "plus" each place it appears at the end of any paragraph,
(3) by striking the period at the end of paragraph (3), and
(4) by adding at the end the following new paragraph:
"(3) the portion of the new qualified plug-in electric drive motor vehicle credit to which section 30C(d)(1) applies.
(n) Conforming Amendments.—
(1) Section 25B(e)(1)(C) is amended by inserting "30D," after "25D," and inserting "30D".
(2) Section 25C(e)(1)(C) is amended by inserting "30D," after "25D," and inserting "30D".
(3) Section 25B(e)(2), as amended by this Act, is amended by striking "30D," and inserting "30D," and inserting "30D".
(D) Section 26(a)(1), as amended by this Act, is amended by striking "and 25D" and inserting "25D, and 30D".

(E) Section 1400D(c)(2) is amended by striking "a motor vehicle" and inserting "any motor vehicle".

(2) Section 101(a) is amended by striking "and" at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting "and by adding at the end the following new paragraph: "’(38) to the extent provided in section 30D(f)(1), it allowed under this subsection shall not be treated as a credit allowable under subpart A of part I of subchapter Y of chapter 1 of title 26, and is mass produced, or is an amount equal to 20 percent of the cost of the plug-in traction battery module in any preceding taxable year.

’(4) The table of sections for part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 30D. New qualified plug-in electric drive motor vehicles.".

(e) Treatment of Alternative Motor Vehicle Credit as a Personal Credit.—

(1) In General.—(Paragraph of section 30B(a) is amended to read as follows: "’(1) In general.—(Paragraph of section 30B(a) is amended by inserting "30D(f)(1)", after "30C(e)(5)".

(2) The term "qualified plug-in electric drive motor vehicle" means any motor vehicle which is converted to a plug-in electric drive motor vehicle as defined in section 30D(d)(1), without regard to subparagraphs (A) and (C) thereof.

(2) CONFORMING AMENDMENTS.—

(a) Paragraph (A) of section 30C(d)(2) is amended by striking "(2)" and inserting "(2)(D)".

(b) Paragraph (3) of section 55(c) is amended by striking "30B(g)(2)".

(3) In General.—(Section 30B (relating to alternative motor vehicle credit) is amended by redesignating subsections (i) and (j) as subsections (k) and (l), respectively, and by inserting after subsection (h) the following new subsection:

"’(i) PLUG-IN CONVERSION CREDIT.—

"’(1) In General.—For purposes of subsection (a), the plug-in conversion credit determined under this subsection with respect to any motor vehicle which is converted to a plug-in electric drive motor vehicle is an amount equal to 20 percent of the cost of the plug-in traction battery module installed in such vehicle as part of such conversion.

"’(2) LIMITATIONS.—The amount of the credit allowed under subsection (a) for any taxable year (after application of paragraph (1)) shall be treated as accumulated under subparagraph (A) for such taxable year."

"’(2) CONFORMING AMENDMENTS.—

(a) Subparagraph (A) of section 30C(d)(2) is amended by striking "A" and inserting "sections 27, 30, and 30B" and inserting "sections 27 and 30". (B) Paragraph (3) of section 55(c) is amended by striking "30B(g)(2)".

(3) In General.—Section 30B is amended by striking "and 30B".

(b) Conversion Kits.—The amendments made by subsection (f) shall apply to services (such as heat, air conditioning, and the like) furnished to such governmental unit for any calendar year in the credit period.

(2) Conversion Kits.—The amendments made by subsection (f) shall apply to services (such as heat, air conditioning, and the like) furnished to such governmental unit for any calendar year in the credit period.

(b) PLUG-IN TRACTION BATTERY MODULE.—The term ‘plug-in traction battery module’ means any electro-chemical energy storage device which—

"’(i) has a traction battery capacity of not less than 2.5 kilowatt hours.

"’(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power.

"’(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv)."

(C) CREDIT ALLOWED TO LESSOR OF BATTERY MODULE.—In case the plug-in traction battery module is leased to the taxpayer, the credit allowed under this subsection shall be allowed to the lessor of the plug-in traction battery module.

"’(4) DEDUCTION ALLOWED IN ADDITION TO OTHER CREDITS.—The credit allowed under this subsection shall be allowed with respect to a motor vehicle under subsection (j) if such credit has been allowed with respect to such motor vehicle under this section (other than this subsection) in any preceding taxable year.

’(4) TERMINATION.—This subsection shall not apply to conversions made after December 31, 2010.

’(5) PLUG-IN CONVERSION CREDIT DETERMINED UNDER SUBSECTION (A) MAY NOT BE TAKEN AGAINST THE SAME COST OR AGAINST COSTS ASSOCIATED WITH THE SAME COST.

’(6) NO RECAPTURE FOR VEHICLES CONVERTED TO QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.—Paragraph (6) of section 30B(b) is amended by striking "and", and by adding at the end the following:

"’(v) except that no benefit shall be recapTURED if such property ceases to be eligible for such credit by reason of conversion to a qualified plug-in electric drive motor vehicle."

’(g) EFFECTIVE DATES.—

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

’(2) TREATMENT OF ALTERNATIVE MOTOR VEHICLE CREDIT AS A PERSONAL CREDIT.—The amendments made by subsection (e) shall apply to taxable years beginning after December 31, 2006.

’(3) CONVERSION KITS.—The amendments made by subsection (f) shall apply to taxable years beginning after December 31, 2007.

’(4) PLUG-IN TRACTION BATTERY MODULE.—The term ‘plug-in traction battery module’ means any electro-chemical energy storage device which—

"’(i) has a traction battery capacity of not less than 2.5 kilowatt hours.

"’(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power.

"’(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv)."

’(i) is designed to provide to a vehicle those services (such as heat, air conditioning, and the like) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using either—

"’(a) an all electric unit, such as a battery powered unit or unit from grid-supplied electricity, or

"’(b) a dual fuel unit powered by diesel or other fuels, and capable of providing such services from grid-supplied electricity or on-truck batteries alone, and

’(b) PLUG-IN TRACTION BATTERY MODULE.—The term ‘plug-in traction battery module’ means any electro-chemical energy storage device which—

"’(i) has a traction battery capacity of not less than 2.5 kilowatt hours.

"’(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power.

"’(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv)."

’(i) is designed to provide to a vehicle those services (such as heat, air conditioning, and the like) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using either—

"’(a) an all electric unit, such as a battery powered unit or unit from grid-supplied electricity, or

"’(b) a dual fuel unit powered by diesel or other fuels, and capable of providing such services from grid-supplied electricity or on-truck batteries alone, and

’(b) PLUG-IN TRACTION BATTERY MODULE.—The term ‘plug-in traction battery module’ means any electro-chemical energy storage device which—

"’(i) has a traction battery capacity of not less than 2.5 kilowatt hours.

"’(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power.

"’(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv)."

’(i) is designed to provide to a vehicle those services (such as heat, air conditioning, and the like) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using either—

"’(a) an all electric unit, such as a battery powered unit or unit from grid-supplied electricity, or

"’(b) a dual fuel unit powered by diesel or other fuels, and capable of providing such services from grid-supplied electricity or on-truck batteries alone, and

’(b) PLUG-IN TRACTION BATTERY MODULE.—The term ‘plug-in traction battery module’ means any electro-chemical energy storage device which—

"’(i) has a traction battery capacity of not less than 2.5 kilowatt hours.

"’(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power.

"’(iii) consists of a standardized configuration and is mass produced.

(iv) has been tested and approved by the National Highway Transportation Safety Administration, in conformance with applicable crashworthiness standards when installed by a mechanic with standardized training in protocols established by a battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv)."
(ii) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years which was not so allocated;

(2) the amount allocated to each New York Liberty Zone governmental unit under subsection (a) for each calendar year,

(3) any excess allocated under subparagraph (a) for any calendar year, reduced by

(4) the aggregate amount allocated under this subparagraph for all preceding calendar years.

Allocations in the 5-year period following the credit period made under this subsection shall be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

(6) Definitions and Special Rules.—For purposes of this section:

(A) In General.—The term ‘credit period’ means the 12-year period beginning on January 1, 2008.

(B) New York Liberty Zone Governmental Unit.—The term ‘New York Liberty Zone governmental unit’ means—

(i) the State of New York;

(ii) the City of New York,

(iii) any agency or instrumentality of such State or City.

(C) Treatment of Funds.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

(7) Treatment of Credit Amounts for Purposes of Withholding Taxes.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such purpose under section 3401A relating to wage withholding.

(e) Reporting.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

(1) which certifies—

(A) the qualifying project expenditure amount for the calendar year, and

(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (a) for each calendar year,

(C) includes such other information as the Secretary may require to carry out this section.

(f) Guidance.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

SEC. 1455. EQUALIZATION OF SPECIAL ALLOWANCE AND EXPENSING.—Subparagraph (A) of section 1400K(b)(2), as redesignated by subsection (a), is amended by striking the parenthetical clause ‘in the case of nonresidential real property and residential rental property, the date of the enactment of the Clean Renewable Energy and Conservation Tax Act of 2007’ or, if acquired pursuant to a binding contract in effect on such enactment date, December 31, 2009’.

(g) Conforming Amendments.—

(1) Section 38(c)(3)(B)(i) is amended by striking ‘section 1400L(a)’ and inserting ‘section 1400K(a)’.

(2) Section 168(k)(2)(D)(i) is amended by striking ‘section 1400L(c)(2)’ and inserting ‘section 1400K(c)(2)’.

(h) The tables of sections for part I of subchapter V of chapter 42 of this title, as redesignated by section 132(f) of the Internal Revenue Code of 1986 (relating to qualified transportation fringe benefits), are amended by adding at the end the following new item:

‘‘Sec. 1400L. New York Liberty Zone tax credits.’’

(i) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1511. EXTENSION OF TRANSPORTATION FRINGE BENEFIT TO BICYCLE COMMUTERS.

(a) In General.—Paragraph (1) of section 132(f) of the Internal Revenue Code of 1986 (relating to qualified transportation fringe benefits) is amended by adding at the end the following new paragraph:

‘‘(D) Any qualified bicycle commuting reimbursement.’’

(b) Limitation on Exclusion.—Paragraph (2) of section 132(f) of such Code is amended by striking ‘and’ at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ‘,’, and by adding at the end the following new subparagraph:

‘‘(C) the applicable annual limitation in the case of any qualified bicycle commuting reimbursement.’’

(c) Conforming Amendment.—Paragraph (2) of section 132(f) of such Code is amended by inserting ‘, or directly from shale or tar sands’ after ‘(as defined in section 132(b))’.

(d) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

Subtitle C—Energy Conservation and Efficiency

PART I—CONSERVATION TAX CREDIT BONDS

SEC. 1541. QUALIFIED ENERGY CONSERVATION BONDS.

(a) In General.—Subpart I of part IV of subchapter A of chapter 1, as added by this title, is amended by adding at the end the following new section:

‘‘SEC. 154C. QUALIFIED ENERGY CONSERVATION BONDS.

‘‘(a) Qualified Energy Conservation Bond.—For purposes of this subchapter, the term ‘qualified energy conservation 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 conservation purposes;

(2) the bond is issued by a State or local government, and

(3) the issuer 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) shall not exceed the limitation amount allocated to such issuer under subsection (d).

(c) National Limitation on Amount of Bonds Designated.—There is a national qualified energy conservation bond limitation of $3,000,000,000.

(d) Limitation on Amount of Bonds Designated.—The maximum aggregate face amount of bonds which may be designated under subsection (a) shall not exceed the limitation amount allocated to such issuer under subsection (d).

(e) Allocations to Largest Local Governments.—

(A) In General.—In the case of any State in which there is a large local government, each such local government shall be allocated a portion of such State’s allocation.
which bears the same ratio to the State’s allocation (determined without regard to this subparagraph) as the population of such large local government bears to the population of such State.  

(2) Special Rule for Counties.—In determining the population of any county for purposes of this section, each county is made up of counties within the State in a manner that results in not less than 70 percent of the allocation to such State or large local government being used to designate bonds which are not private activity bonds.  

(e) Qualified Conservation Purpose.—For purposes of this section—  

(1) the term ‘qualified conservation purpose’ means any of the following—  

(A) Capital expenditures incurred for purposes of—  

(i) reducing energy consumption in public-owned buildings by at least 20 percent,  

(ii) implementing green community programs; or  

(iii) rural development involving the production of electricity from renewable energy resources.  

(B) Expenditures with respect to research facilities, and research grants, to support research in—  

(i) development of cellulosic ethanol or other nonfossil fuels,  

(ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,  

(iii) increasing the efficiency of existing technologies for producing nonfossil fuels,  

(iv) automobile battery technologies and other technologies to reduce fossil fuel consumption through transportation, or  

(v) technologies to reduce energy use in buildings.  

(C) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.  

(D) Demonstration projects designed to promote the commercialization of—  

(i) green building technology,  

(ii) conversion of agricultural waste for use in the production of fuel or otherwise,  

(iii) advanced battery manufacturing technologies,  

(iv) technologies to reduce peak use of electricity, or  

(v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity,  

(E) Public education campaigns to promote energy efficiency.  

(2) Special Rules for Private Activity Bonds.—For purposes of this section, in the case of any private activity bond, the term ‘qualified conservation purposes’ shall not include any expenditure which is not a capital expenditure.  

(1) In General.—The population of any State or local government shall be determined for purposes of this section as provided for the calendar year which includes the date of the enactment of this section.

“(2) Special Rule for Counties.—In determining the population of any county for purposes of this section, each county is made up of counties within the State in a manner that results in not less than 70 percent of the allocation to such State or large local government being used to designate bonds which are not private activity bonds.

“(e) Qualified Conservation Purpose.—For purposes of this section—

(1) the term ‘qualified conservation purpose’ means any of the following—

(A) Capital expenditures incurred for purposes of—

(i) reducing energy consumption in public-owned buildings by at least 20 percent,

(ii) implementing green community programs; or

(iii) rural development involving the production of electricity from renewable energy resources.

(B) Expenditures with respect to research facilities, and research grants, to support research in—

(i) development of cellulosic ethanol or other nonfossil fuels,

(ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,

(iii) increasing the efficiency of existing technologies for producing nonfossil fuels,

(iv) automobile battery technologies and other technologies to reduce fossil fuel consumption through transportation, or

(v) technologies to reduce energy use in buildings.

(C) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

(D) Demonstration projects designed to promote the commercialization of—

(i) green building technology,

(ii) conversion of agricultural waste for use in the production of fuel or otherwise,

(iii) advanced battery manufacturing technologies,

(iv) technologies to reduce peak use of electricity, or

(v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

(E) Public education campaigns to promote energy efficiency.

(2) Special Rules for Private Activity Bonds.—For purposes of this section, in the case of any private activity bond, the term ‘qualified conservation purposes’ shall not include any expenditure which is not a capital expenditure.

(1) In General.—The population of any State or local government shall be determined for purposes of this section as provided for the calendar year which includes the date of the enactment of this section.

Sec. 1542. Qualified Forestry Conservation Bonds.

(a) In General.—Subpart I of part IV of subchapter A of chapter 1, as added by this title, is amended by adding at the end the following new section:

“SEC. 54D. Qualified Forestry Conservation Bonds.

“(a) Qualified Forestry Conservation Bond.—For purposes of this subchapter, the term ‘qualified forestry conservation bond’ means any bond issued as part of an issue if—

(i) 100 percent of the available proceeds of such issue are to be used for one or more qualified forestry conservation projects,

(ii) the bond is issued by a qualified issuer, and

(iii) the issuer 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) by any issuer shall not exceed the limitation on conservation projects in such manner as the Secretary determines appropriate so as to ensure that all of such limitation is allocated before the date which is 90 days after the date of the enactment of this section.

(c) Qualified Forestry Conservation Projects.—For purposes of this section, the term ‘qualified forestry conservation project’ means the acquisition by a State or 501(c)(3) organization (as defined in section 150(a)(4)) from an unrelated person of forest and forest land that meets the following qualifications:

(1) Some portion of the land acquired must be adjacent to United States Forest Service Land.

(2) At least half of the land acquired must be transferred to the United States Forest Service at no net cost to the United States and not more than half of the land acquired may either remain with or be donated to a State.

(3) All of the land must be subject to a national fish habitat conservation plan approved by the United States Fish and Wildlife Service.

(4) The amount of acreage acquired must be at least 40,000 acres.

(5) Qualified Issuer.—For purposes of this section, the term ‘qualified issuer’ means a State or 501(c)(3) organization (as defined in section 150(a)(4)).

(f) Special Arbitrage Rule.—In the case of any qualified forestry conservation bond issued as part of an issue, section 54A(d)(4)(C) shall be applied to such issue without regard to clause (i).

(g) Conforming Amendments.—

(1) Paragraph (1) of section 54A(d), as added by this title, is amended to read as follows—

“(1) QUALIFIED TAX CREDIT BOND.—The term ‘qualified tax credit bond’ means—

(A) a new clean renewable energy bond, or

(B) a qualified energy conservation bond, which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).”.

(2) Paragraph (2) of section 54A(d), as added by this title, is amended to read as follows:

“(2) Qualified Issuer.—For purposes of this section, the term ‘qualified issuer’ means a State or 501(c)(3) organization (as defined in section 150(a)(4)).

(3) Paragraph (3) of section 54A(d), as added by this title, is amended to read as follows:

“(3) The table of sections for subpart I of part IV of subchapter A of chapter 1, as amended by this title, is amended by adding at the end the following new item:

‘‘Sec. 54C. Qualified energy conservation bonds.’’

(4) Effective Date.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

Sec. 1543. Qualified Forestry Conservation Bonds.

(a) In General.—Subpart I of part IV of subchapter A of chapter 1, as added by this title, is amended by adding at the end the following new section:

“SEC. 54A. Qualified Forestry Conservation Bonds.

“(a) Qualified Forestry Conservation Bond.—For purposes of this subchapter, the term ‘qualified forestry conservation bond’ means any bond issued as part of an issue if—

(i) 100 percent of the available proceeds of such issue are to be used for one or more qualified forestry conservation projects,

(ii) the bond is issued by a qualified issuer, and

(iii) the issuer 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) by any issuer shall not exceed the limitation on conservation projects in such manner as the Secretary determines appropriate so as to ensure that all of such limitation is allocated before the date which is 90 days after the date of the enactment of this section.

(c) Qualified Forestry Conservation Projects.—For purposes of this section, the term ‘qualified forestry conservation project’ means the acquisition by a State or 501(c)(3) organization (as defined in section 150(a)(4)) from an unrelated person of forest and forest land that meets the following qualifications:

(1) Some portion of the land acquired must be adjacent to United States Forest Service Land.

(2) At least half of the land acquired must be transferred to the United States Forest Service at no net cost to the United States and not more than half of the land acquired may either remain with or be donated to a State.

(3) All of the land must be subject to a national fish habitat conservation plan approved by the United States Fish and Wildlife Service.

(4) The amount of acreage acquired must be at least 40,000 acres.

(f) Special Arbitrage Rule.—In the case of any qualified forestry conservation bond issued as part of an issue, section 54A(d)(4)(C) shall be applied to such issue without regard to clause (i).

(g) Conforming Amendments.—

(1) Paragraph (1) of section 54A(d), as added by this title, is amended to read as follows—

“(1) QUALIFIED TAX CREDIT BOND.—The term ‘qualified tax credit bond’ means—

(A) a new clean renewable energy bond, or

(B) a qualified energy conservation bond, or

(C) a qualified forestry conservation bond, which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).”.

(2) Paragraph (2) of section 54A(d), as added by this title, is amended to read as follows:

“(2) Qualified Issuer.—For purposes of this section, the term ‘qualified issuer’ means a State or 501(c)(3) organization (as defined in section 150(a)(4)).

(3) Paragraph (3) of section 54A(d), as added by this title, is amended to read as follows:

“(3) The table of sections for subpart I of part IV of subchapter A of chapter 1, as amended by this title, is amended by adding at the end the following new item:

‘‘Sec. 54C. Qualified forestry conservation bonds.’’

(c) Effective Date.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.
PART II—EFFICIENCY

SEC. 1543. EXTENSION AND ENHANCEMENT OF ENERGY EFFICIENT HOME CREDIT.

(a) Extension of credit.—Section 25C(g) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2008.”

(b) Qualified biomass fuel property.—(1) In general.—Section 25C(d)(3) is amended—

(A) by striking “and” at the end of subparagraph (D),

(B) by striking the period at the end of subparagraph (E) and inserting “; and”, and

(C) by adding at the end the following new subparagraph:

“(F) a stove which uses the burning of biomass fuel to heat a dwelling unit located in the United States and used as a residence by the taxpayer, or to heat water for such a dwelling unit, and which has a thermal efficiency rating of at least 75 percent.”

(b) Elimination of credit.—(1) In general.—(A) $50 in the case of a refrigerator which is manufactured in calendar year 2008, and which consumes at most not more than 22.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

(B) $75 in the case of a refrigerator which is manufactured in calendar year 2008 or 2009, and consumes at least 23 percent but no more than 24.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

(C) $100 in the case of a refrigerator which is manufactured in calendar year 2008, 2009, or 2010 which meets and consumes at least 30 percent less energy than the 2001 energy conservation standards.

(2) Exclusion.—In the case of any refrigerator described in subparagraph (b)(1), the credit allowed under subsection (a) with respect to a taxable year beginning after December 31, 2007, is amended by striking “December 31, 2007” and inserting “December 31, 2010.”

SEC. 1544. EXTENSION AND MODIFICATION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Subsection (b) of section 179D (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2010.”


(a) In general.—(1) DISHWASHERS.—The applicable amount is—

“(A) $45 in the case of a dishwasher which is manufactured in calendar year 2008 or 2009 and which uses no more than 324 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

“(B) $75 in the case of a dishwasher which is manufactured in calendar year 2008, 2009, or 2010 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

“(2) CLOTHES WASHERS.—The applicable amount is—

“(A) $75 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 which meets or exceeds a 1.72 modified energy factor and does not exceed 8.0 water consumption factor,

“(B) $125 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 or 2009 which meets or exceeds a 1.8 modified energy factor and does not exceed 7.5 water consumption factor,

“(C) $150 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009 or 2010 which meets or exceeds 2.0 modified energy factor and does not exceed 6.0 water consumption factor.

“(D) $250 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009, or 2010 which meets or exceeds 4.0 modified energy factor and does not exceed 4.5 water consumption factor.

“(3) REFRIGERATORS.—The applicable amount is—

“(A) $50 in the case of a refrigerator which is manufactured in calendar year 2008, and which consumes at most not more than 22.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

“(B) $75 in the case of a refrigerator which is manufactured in calendar year 2008 or 2009, and consumes at least 23 percent but no more than 24.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

“(C) $100 in the case of a refrigerator which is manufactured in calendar year 2008, 2009, or 2010 which meets and consumes at least 30 percent less energy than the 2001 energy conservation standards.

(b) ELIGIBLE PRODUCTION.—(1) SIMILAR TREATMENT FOR ALL APPLIANCES.—Subsection 45M (relating to eligibility production) is amended—

(A) by striking paragraph (2),

(B) by striking “(1) In general.” and all that follows through “and inserting ‘The eligible’,” and

(C) by moving the text of such subsection in line with the subsection heading and redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(2) MODIFICATION OF BASE PERIOD.—Subparagraph (2) of section 45M(c), as amended by paragraph (1), is amended by striking “3-calendar year” and inserting “2-calendar year.”

(c) TYPES OF ENERGY EFFICIENT APPLIANCES.—Subsubsection (d) of section 45M (defining types of energy efficient appliances) is amended to read as follows:

“(d) TYPES OF ELIGIBLE APPLIANCES.—For purposes of this section, the types of energy efficient appliances are—

“(1) dishwashers described in subsection (b)(1),

“(2) clothes washers described in subsection (b)(2), and

“(3) refrigerators described in subsection (b)(3).

(d) AGGREGATE CREDIT AMOUNT ALLOWED.—(1) INCREASE IN LIMIT.—Paragraph (1) of section 45M(e) (relating to aggregate credit amount allowed) is amended to read as follows:

“(1) AGGREGATE CREDIT AMOUNT ALLOWED.—The aggregate amount of credit allowed under subsection (a) with respect to a taxpayer for any taxable year shall not exceed $75,000,000 reduced by the amount of the aggregate amount of credit allowed under subsection (a) with respect to a taxpayer (or any predecessor) for all prior taxable years beginning after December 31, 2007.”

(e) RECEPTION FOR CERTAIN REFRIGERATOR AND CLOTHES WASHERS.—(1) In general.—Subsection (b)(3)(D) and clothes washers described in subsection (b)(2)(D) shall not be taken into account under paragraph (c) of section 45M.

(2) QUALIFIED ENERGY EFFICIENT APPLIANCES.—(1) In general.—Paragraph (1) of section 45M(f) (defining energy efficient appliance) is amended to read as follows:

“(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term ‘qualified energy efficient appliance’ is defined in section 45M(f).

“(A) any clothes washer described in subsection (b)(2),

“(B) any clothes washer described in subsection (b)(3),

“(C) any refrigerator described in subsection (b)(3).

(2) Refresher.—Section 45M(f)(3) (defining clothes washer) is amended by inserting “commercial” before “residential” the second place it appears.

(3) Top-Loading Clothes Washer.—Subsection (1) of section 45M (relating to definitions) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, by inserting after paragraph (3) the following new paragraph:

“(4) Top-Loading Clothes Washer.—The term “top-loading clothes washer” means a clothes washer which has the clothes container compartment access located on the top of the machine and which operates on a vertical axis.”

(4) REPLACEMENT OF ENERGY FACTOR.—Section 45M(f)(7), as redesignated by paragraph (3), is amended to read as follows:

“(7) MODIFIED ENERGY FACTOR.—The term ‘modified energy factor’ means the modified energy factor established by the Department of Energy for compliance with the Federal energy conservation standard.”

(5) GALLONS PER CYCLE; WATER CONSUMPTION FACTOR.—Section 45M(f) (relating to definitions) is amended by adding at the end the following:

“(9) GALLONS PER CYCLE.—The term ‘gallons per cycle’ means, with respect to a dishwasher, the amount of water, expressed in gallons, required to complete a normal cycle of a dishwasher.

“(10) WATER CONSUMPTION FACTOR.—The term ‘water consumption factor’ means, with respect to a clothes washer, the quotient of the total weighted per-cycle water consumption divided by the cubic foot (or liter) capacity of the clothes washer.

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2007.

SEC. 1546. SEVEN-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED ENERGY MANAGEMENT DEVICES.

(a) In general.—(1) ELECTRIC METER.—(A) $75 in the case of an electric meter which is capable of being used by a customer to monitor the energy consumption of the electricity used in real property of a customer of the taxpayer and is placed in service by a taxpayer who—

“(i) is a supplier of electric energy, or a retailer of electric energy, and

“(ii) provides all commercial and residential customers of such supplier or provider with net metering upon the request of such customer.

“(B) $125 in the case of an electric meter which is capable of being used by a taxpayer as part of a system that—

“(i) measures and records electricity usage data on a time-differentiated basis in at least two separate time frames,

“(ii) provides for the exchange of information between supplier or provider and the
For purposes of this section, in the case of any real estate investment trust for such taxable year, there shall be allowed as a deduction in computing the taxable income of the corporation at the close of such taxable year an amount equal to 60 percent of the lesser of—

(1) the sum of the taxpayer’s qualified timber gain for such year, or

(2) the taxpayer’s net capital gain for such year.

For purposes of this section, the term ‘qualified timber gain’ means, with respect to any taxpayer for any taxable year, the excess (if any)—

(1) of the sum of the taxpayer’s gains described in subsections (a) and (b) of section 1231 for such taxable year, over

(2) the sum of the taxpayer’s losses described in such subsections for such year.

For purposes of this section, the term ‘qualified timber gain’ means, with respect to any real estate investment trust for any taxable year, the excess (if any) of—

(a) the qualified timber gain of the trust for such taxable year, over

(b) the qualified timber gain of such real estate investment trust for such taxable year.

The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.
SEC. 1553. TIMBER RETI MODERNIZATION.
(a) In General.—Section 856(c)(5) is amended by adding after subparagraph (G) the following new subparagraph:

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(H) Treatment of timber gains.
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(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1554. MINERAL Royalty INCOME QUALIFYING FOR TIMBER REITS.
(a) In General.—Section 861(c)(2) is amended by inserting "and" at the end of subparagraph (G), and by adding after subparagraph (H) the following new subparagraph:

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(I) mineral royalty income earned in the first taxable year beginning after the date of the enactment of this subsection from real property which is timberland, and
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(b) Timber Real Estate Investment Trust.—Section 856(c)(5), as amended by this Act, is amended by adding after subparagraph (G) the following new subparagraph:

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(i) Timber real estate investment trust trust in which more than 50 percent in value of its total assets consists of real property held in connection with the trade or business of producing timber.
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(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1555. MODIFICATION OF TAXABLE RETI SUBSIDARY ASSET TEST FOR TIMBER RETIs.
(a) In General.—Section 856(c)(4)(B)(ii) is amended by inserting "(in the case of a quarter which closes on or before the termination date, 25 percent in the case of a timber real estate investment vehicle or more than 20 percent of the value of its total assets is represented by securities of one or more taxable REIT subsidiaries)".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1556. HARBOR FOR TIMBER PROP.
(a) In General.—Section 857(b)(6) is amended by inserting "(I) timber real estate investment trust pursuant to an election under section 861(a) from timber owned by the real estate investment trust, the cutting of which is provided by a taxable REIT subsidiary of the real estate investment trust,
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(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1557. INCOME AVERAGING FOR AMOUNTS RECEIVED IN CONNECTION WITH EXXON VALDEZ LIQUIDATION.
(a) Income Averaging of Amounts Received from the Exxon Valdez Litigation.—For purposes of section 1301 of the Internal Revenue Code of 1986, any qualified taxpayer who receives any qualified settlement income during the taxable year may, at any time before the end of the taxable year in which such income was received, make one or more contributions to an eligible retirement plan of which such qualified taxpayer is a beneficiary in an aggregate amount not to exceed the lesser of:

(A) $100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior taxable years pursuant to this subsection), or

(B) the amount of qualified settlement income received by the individual during the taxable year.

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.
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(c) Treatment of Qualified Settlement Income Under Employment Taxes.—

(1) In general.—Section 1324(b)(5)(B) of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as self-employment income.

(2) FICA.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as wages.

(d) Qualified Taxpayer.—For purposes of this section, the term ‘qualified taxpayer’ means—

(1) any individual who is a plaintiff in the civil action In re Exxon Valdez, No. 88-085-CV (HRH) (Consolidated) (D. Alaska); or

(2) any individual who is a beneficiary of the estate of such a plaintiff who—

(A) acquired the right to receive qualified settlement income from that plaintiff; and

(B) was the spouse or an immediate relative of that plaintiff.

(2) Amended by striking ‘qualified settlement income’ means any electric transmission facility which is operated by—

(1) a State or political subdivision of a State, or any agency, authority, or instrumentality of any of the foregoing, providing electric service, directly or indirectly to the public; or

(2) the State or political subdivision of a State expressly authorized under State law to finance and own electric transmission facilities.

(2) In general.—For purposes of subparagraph (B), ‘qualified electric transmission facility’ means any electric transmission facility which is owned by—

(1) the combined foreign oil and gas income for the taxable year, or

(2) multiplied by—

(A) the case of a corporation, the percentage which is equal to the highest rate of tax specified under chapter 1 for the taxable year; and

(B) in the case of an individual, a fraction the numerator of which is the tax against which the credit under section 901(a) is taken and the denominator of which is the taxpayer’s entire taxable income.

(1) the term ‘combined foreign oil and gas income’ means the amount of foreign oil extraction losses recharacterized under this paragraph for the taxable year; and

(2) the amount of any foreign oil extraction losses which would (but for this subsection) be treated as self-employment income.

(2) Foreign oil and gas extraction losses shall be determined—

(1) for each taxable year beginning after December 31, 2007.

(2) FICA.—In applying section 901, the amount of any foreign oil and gas extraction losses (or deemed to have been paid) during the taxable year which would (but for this subsection) be treated as self-employment income shall be equal to the lesser of—

(a) the aggregate amount of foreign oil and gas extraction losses for preceding taxable years beginning after December 31, 2007; or

(b) the excess of—

(1) the aggregate amount of foreign oil and gas losses for preceding taxable years beginning after December 31, 2007, over—

(II) the sum of the deductions properly apportioned or allocated thereto.

(3) FICA.—The reductions for post-2007 foreign oil and gas losses shall be determined—

(1) for each taxable year beginning after December 31, 2007; and

(2) FICA.—For purposes of this subsection, the term ‘foreign oil and gas loss’ means the amount by which—

(a) the gross income for the taxable year from sources outside the United States and its possessions (whether or not the taxpayer chooses the benefits of this subpart for such taxable year) taken into account in determining the combined foreign oil and gas income for such year, is exceeded by—

(II) the sum of the deductions properly apportioned or allocated thereto.

(4) Disallowed credits.—For purposes of clause (i), the net operating loss deduction allowable for the taxable year under section 172(a) shall be not taken into account.

(5) Expropriation and casualty losses not taken into account.—For purposes of clause (i), there shall be not taken into account—

(1) any foreign expropriation loss (as defined in section 170(h) (as in effect before the date of the enactment of the Revenue Reconciliation Act of 1990)) for the taxable year, or

(II) any loss for the taxable year which arises from fire, storm, shipwreck, or other casualty, or from theft, to the extent such loss is not compensated for by insurance or otherwise.

(2) Foreign oil extraction losses.—For purposes of subparagraph (B)(1), foreign oil extraction losses shall be determined under this paragraph as in effect on the day before the date of the enactment of the Clean Renewable Energy and Conservation Tax Act of 2007.”.

(3) Earmark and carryover of disallowed credits.—For purposes of subparagraph (B)(2), the aggregate amount of such reductions shall be treated as income (from sources without the United States) which is not combined foreign oil and gas income.
(1) by striking “oil and gas extraction taxes” each place it appears and inserting “foreign oil and gas taxes”, and
(2) by adding at the end the following new paragraph:

“(4) TRANSITION RULES FOR Pre-2008 AND 2008 DISALLOWED CREDITS.—

“(A) Pre-2008 Credits.—In the case of any unused oil and gas extraction credits carried from such unused credit year to a year beginning after January 1, 2008, this subsection shall be applied to any unused oil and gas extraction credits carried from such unused credit year to a year beginning after January 1, 2008, solely for purposes of determining how much of the unused foreign oil and gas taxes for such unused credit year may be deemed paid or accrued in such preceding year.”.

(b) CONFORMING AMENDMENT.—Section 6501(i) is amended by striking “oil and gas extraction taxes” and inserting “foreign oil and gas taxes”.

(c) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 1563. SEVEN-YEAR AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPENSES FOR CERTAIN MAJOR INTEGRATED OIL COMPANIES. (a) General.—Subparagraph (A) of section 612(b)(4) (relating to special rule for major integrated oil companies) is amended by striking “5-year” and inserting “7-year”.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2007.

SEC. 1564. BROKER REPORTING OF CUSTOMER BASIS IN SECURITIES TRANSACTIONS. (a) General.—

(1) BROKER REPORTING FOR SECURITIES TRANSACTIONS.—Section 6045 (relating to returns of brokers) is amended by adding at the end the following new subsection:

“(c) Determination of basis required.—

“(1) IN GENERAL.—If a broker is otherwise required to make a return under subsection (a) with respect to the gross proceeds of the sale of a covered security, the broker shall include in such return the information described in paragraph (2).

“(2) Adoption of determination required.—

“(A) IN GENERAL.—The information required under paragraph (1) to be shown on a return with respect to a covered security of a customer shall include the customer’s adjusted basis in such security and whether any gain or loss with respect to such security is long term or short-term (within the meaning of section 1222).

“(B) DETERMINATION OF ADJUSTED BASIS.—For purposes of subparagraph (A)—

“(i) IN GENERAL.—The customer’s adjusted basis shall be determined—

“(I) in the case of any stock (other than any stock in an open-end fund), in accordance with the first-in first-out method unless the customer or the broker by means of making an adequate identification of the stock sold or transferred,

“(II) in the case of any stock in an open-end fund acquired before January 1, 2011, in accordance with any acceptable method under section 1221 with respect to the account in which such stock is held,

“(III) in the case of any stock in an open-end fund acquired after December 31, 2010, in accordance with the broker’s default method unless the customer notifies the broker that he elects another acceptable method under section 1221 with respect to the account in which such stock is held, and

“(IV) in accordance with section 1221 under the method for making such determination under section 1221.

“(ii) EXCEPTION FOR WASH SALES.—Except as otherwise provided by the Secretary, the customer’s adjusted basis shall be determined without regard to section 1091 (relating to wash sales of stock or securities) unless the transactions occur in the same account with respect to identical securities.

“(d) COVERED SECURITY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘covered security’ means any specified security acquired on or after the applicable date if such security—

“(I) was acquired through a transaction in the account in which such security is held, or

“(II) was transferred to such account from an account in which such security was a covered security, but only if the broker received a statement under section 6045A with respect to the transfer.

“(B) SPECIFIED SECURITY.—The term ‘specified security’ means—

“(i) any share of stock in a corporation,

“(ii) any note, bond, debenture, or other evidence of indebtedness,

“(iii) any commodity, or contract or derivative with respect to such commodity, if the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection, and

“(iv) any other financial instrument with respect to which the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection.

“(e) APPLICABLE DATE.—The term ‘applicable date’ means—

“(1) January 1, 2009, in the case of any specified security which is stock in a corporation, and

“(2) January 1, 2011, or such later date determined by the Secretary in the case of any other specified security.

“(f) OPEN-END FUND.—For purposes of this subsection, the term ‘open-end fund’ means a regulated investment company (as defined in section 657(a)) or a foreign investment partnership (as defined in section 657(a)).

“(g) Other Definitions.—For purposes of this subsection, except as otherwise provided in paragraph (f),—

“(1) APPLICATION TO OTHER ITEMS.—For purposes of this section, except as otherwise provided, the terms ‘gain’, ‘loss’, ‘acquired’, ‘incurred’, ‘payment’, ‘year’, ‘property’, and ‘amount’ shall have the meanings provided in section 1221.

“(2) EARLY COMPANY ADMISSION.—In the case of any security involved in an initial public offering, the rules of section 1221 shall apply as if the security were issued after December 31, 2009, the written statement required under section 1221 shall be made on or before February 15 of the year following the year in which the payment was made.

“(h) Application to Options on Securities.—In the case of an option—

“(I) EXERCISE OF OPTION.—For purposes of this section, in the case of any exercise of an option on a covered security where the option was granted or acquired before the date the covered security, the amount received or paid with respect to such exercise shall be treated as an adjustment to gross proceeds or as an adjustment to basis, as the case may be.

“(II) LAPSE OR CLOSING TRANSACTION.—For purposes of this section, in the case of the lapse or closing transaction referred to in section 1234(b)(2)(A)) of an option on a specified security where the taxpayer is the grantee of such option, this section shall apply as if the premium received for such option were gross proceeds received on the date of the lapse or closing transaction, and the cost (if any) of the closing transaction shall be taken into account as adjusted basis. In the case of an option on a specified security where the taxpayer is the grantee of such option, this section shall apply as if the grantee received gross proceeds of zero on the date of the lapse.

“(i) PROSPECTIVE APPLICATION.—Paragraphs (1) and (2) shall not apply to any option which is granted or acquired before January 1, 2011.

“(j) Definitions.—For purposes of this subsection, the term ‘covered security’ shall be defined in regulations given such terms in subsection (g)(3).”.

(3) EXTENSION OF PERIOD FOR STATEMENTS SENT TO CUSTOMERS.—Subsection (b) of section 6045 is amended by striking “January 31” and inserting “February 15 (January 31 in the case of returns for calendar years before 2010)”. (b) STATEMENTS RELATED TO SUBSTITUTE PAYMENTS.—Subsection (d) of section 6045 is amended—

“(1) by striking “at such time and”, and

“(ii) by inserting after “other item.” the following new sentence: “In the case of a payment made during any calendar year after 2009, the written statement required under the preceding sentence shall be furnished on or before February 15 of the year following the calendar year in which the payment was made.”.

“(c) OTHER STATEMENTS.—Subsection (b) of section 6045 is amended by adding at the end the following: ‘In the case of a consolidated reporting statement (as defined in regulations) with respect to any account which includes the statement required by this subsection, any statement which would otherwise be required to be furnished on or before January 31 of a calendar year after 2010 under section 6042(c), 6042(c)(2)(A), or 6045(b) with respect to any item in such account shall instead be required to be furnished on or before February 15 of such calendar year if furnished as part of such consolidated reporting statement.”.

“(d) DETERMINATION OF BASIS OF CERTAIN SECURITIES ON ACCOUNT BY ACCOUNT METHOD.—Section 1020 (relating to basis of property) is amended—

“(1) by striking “The basis of property” and inserting the following:

“(a) IN GENERAL.—The basis of property,”.

“(2) by striking “The basis of real property, and inserting the following:

“(b) SPECIAL RULE FOR APPORTIONED REAL ESTATE TAXES.—The cost of real property,” and

“(3) by adding at the end the following new subsection:

“(e) DETERMINATIONS BY ACCOUNT.—

“(1) IN GENERAL.—In the case of the sale, exchange, or other disposition of a specified

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security on or after the applicable date, the conventions prescribed by regulations under this section shall be applied on an account by account basis.

(2) The following to open-end funds.—

‘‘(A) IN GENERAL.—Except as provided in subparagraph (B), any stock in an open-end fund acquired before January 1, 2009, shall be treated as acquired from any such stock acquired on or after such date.

‘‘(B) ELECTION BY OPEN-END FUND FOR TREATMENT AS SINGLE ACCOUNT.—If an open-end fund elects (at such time and in such form and manner as the Secretary may prescribe) to have this subparagraph apply with respect to one or more of its stockholders—

‘‘(i) subparagraph (A) shall not apply with respect to any stock in such fund held by such stockholders, and

‘‘(ii) all stock in such fund which is held by such stockholders shall be treated as covered securities described in section 6045(g)(3) without regard to the date of the acquisition of such stock.

A rule similar to the rule of the preceding sentence shall apply with respect to a broker holding stock in an open-end fund as a nominee.

(3) Definitions.—For purposes of this section, the terms ‘specified security’, ‘applicable date’, and ‘open-end fund’ shall have the meaning given such terms in section 6045(g).

(c) INFORMATION BY TRANSFERS TO AID BROKERS.—

(1) In general.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6045 the following new section:

SEC. 6045A. INFORMATION REQUIRED IN CONNECTION WITH TRANSFERS OF COVERED SECURITIES TO BROKERS.—

‘‘(a) Furnishing of information.—Every applicable person which transfers to a broker (as defined in section 6045(c)(1)) a covered security which is a covered security (as defined in section 6045(g)(3)) in the hands of such applicable person shall furnish to such broker a written statement (in such manner and setting forth such information as the Secretary may by regulations prescribe for purposes of enabling such broker to meet the requirements of section 6045(g)).

(b) Applicable person.—For purposes of subsection (a), the term ‘applicable person’ means—

‘‘(1) any broker (as defined in section 6045(c)(1)), and

‘‘(2) any other person as provided by the Secretary in regulations.

(c) Time for furnishing statement.—Any statement required by subsection (a) shall be furnished not later than the earlier of—

‘‘(1) 45 days after the date of the transfer described in subsection (a), or

‘‘(2) January 15 of the year following the calendar year during which such transfer occurred.

(d) Assessable Penalties.—Paragraph (2) of section 6724(d) (defining payee statement) is amended by redesignating subparagraphs (1) through (CC) as subparagraphs (1) through (DD), respectively, and by inserting after subparagraph (H) the following new subparagraph:

‘‘(I) section 6045A (relating to information required in connection with transfers of covered securities to brokers).’’

(3) Effective date.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6045 the following new item:

‘‘Sec. 6045A. Information required in connection with transfers of covered securities to brokers.’’

(d) ADDITIONAL ISSUER INFORMATION TO AID BROKERS.—

(1) In general.—Subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code is amended by inserting after section 6045A the following new section:

SEC. 6045B. RETURNS RELATING TO ACTIONS AFFECTING BASIS OF SPECIFIED SECURITIES.—

‘‘(a) In general.—According to the forms or regulations prescribed by the Secretary, any issuer of a specified security shall make a return setting forth—

‘‘(1) a description of any organizational action which affects the basis of such specified security of such issuer,

‘‘(2) the quantitative effect on the basis of such specified security resulting from such action, and

‘‘(3) such other information as the Secretary may prescribe.

‘‘(b) Time for filing return.—Any return required by subsection (a) shall be filed not later than the earlier of—

‘‘(1) 45 days after the date of the action described in subsection (a), or

‘‘(2) January 15 of the year following the calendar year during which such action occurred.

‘‘(c) Statements to be furnished to holders of specified securities or their nominees.—According to the forms or regulations prescribed by the Secretary, every person required to make return under subsection (a) with respect to a specified security shall furnish to the nominee with respect to the specified security (or certificate holder if there is no nominee) a written statement showing—

‘‘(I) the name, address, and phone number of the information contact of the person required to make such return,

‘‘(II) the information required to be shown on such return with respect to such security, and

‘‘(III) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the holder on or before January 15 of the year following the calendar year during which the action described in subsection (a) occurred.

‘‘(d) Specified security.—For purposes of this section, a security is a ‘specified security’ for the meaning given such term by section 6045(g)(3). In the case of a security which is held by a nominee (as defined in section 6045(c)(1)), the term ‘specified security’ includes a specified security which is held in the hands of a person other than a nominee (as defined in section 6045(c)(1)) if the required return under section 6045 is made by the person other than a nominee (as defined in section 6045(c)(1)).

‘‘(e) Public reporting in lieu of return.—The Secretary may waive the requirements under subsections (a) and (c) with respect to a specified security, if the person required to make the return under subsection (a) makes publicly available, in such form and manner as the Secretary determines necessary to carry out the purposes of this section—

‘‘(1) the name, address, phone number, and email address of the information contact of such person, and

‘‘(2) the information described in paragraphs (1), (2), and (3) of subsection (a).’’

(e) Assessable Penalties.—(A) Subparagraph (B) of section 6724(d)(1) of such Code (defining information return) is amended by redesignating clauses (iv) through (xix) as clauses (v) through (xx), respectively, and by inserting after clause (iii) the following new clause:

‘‘(iv) section 6045B(a) (relating to returns relating to actions affecting basis of specified securities),’’

(4) Effective date.—The amendments made by this section shall be applied on an account by account basis.

(e) Effective Date.—The amendments made by this section shall take effect on January 1, 2009.

(f) Study Regarding Information Returns.—

(1) in general.—The Secretary of the Treasury shall study the effect and feasibility of delaying the date for furnishing statements under sections 6042(c), 6045, 6049(c)(2)(A), and 6050N(b) of the Internal Revenue Code of 1986 until February 15 following the year to which such statements relate.

(2) Report.—Not later than 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on the results of the study conducted under paragraph (1). Such report shall include the Secretary’s findings regarding—

(A) the effect on tax administration of such delay, and

(B) other administrative or legislative options to improve compliance and ease burdens on taxpayers and brokers with respect to such statements.

SEC. 1564. EXTENSION OF ADDITIONAL 0.2 PER CENT FUTA TAX.

(a) In General.—Section 3511 (relating to rate of tax) is amended—

(1) by striking ‘‘2007’’ in paragraph (1) and inserting ‘‘2008’’; and

(2) by striking ‘‘2008’’ in paragraph (2) and inserting ‘‘2009’’.

(b) Effective Date.—The amendments made by this section shall apply to wages paid after December 31, 2007.

SEC. 1565. REPEAL OF SUSPENSION OF CERTAIN IMPOSITIONS ON PARTICIPANTS IN GOVERNMENT SECURITIES.

(a) In General.—Section 611 is amended by striking paragraph (2) and inserting in lieu thereof—

‘‘(2) Increased penalty for failure to file returns.—The percentage under subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 in effect on the date of the enactment of this Act is increased by 6.25 percentage points.

SEC. 1566. MODIFICATION OF PENALTY FOR FAILURE TO FILE FORMS.

(a) In General.—Section 4042(c)(1) is amended by striking paragraph (A) and inserting in lieu thereof—

‘‘(A) The penalty for failure to file subparts A, B, and C of part III of subchapter A of chapter 61 of the Internal Revenue Code is increased by 50 percent, except with respect to any returns required to be filed under the tax increase prevention and reconciliation act of 2005 which are due after the date of the enactment of this Act and before December 20, 2007.

(b) Effective Date.—The amendments made by this section shall apply to returns required to be filed after the date of the enactment of this Act.

SEC. 1567. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 in effect on the date of the enactment of this Act is increased by 6.25 percentage points.

SEC. 1568. MODIFICATION OF PENALTY FOR FAIL-
by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) the deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A)”,

(b) E LECTIVE DEFERRALS.—Section 402(a)(2) (relating to elective deferral) is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means

(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

Subtitle F—Secure Rural Schools

SEC. 1571. SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION PROGRAM.

(a) REAUTHORIZATION OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000.—The Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393) is amended by striking sections 1 through 403 and inserting the following:

“SECTION 1. SHORT TITLE.

‘This Act may be cited as the ‘Secure Rural Schools and Community Self-Determination Act of 2000’.”

“SEC. 2. PURPOSES.

‘The purposes of this Act are—

(1) to stabilize and transition payments to counties to provide funding for schools and roads that supplements other available funds;

(2) to make additional investments in, and create additional employment opportunities through, projects that—

(i) improve the maintenance of existing infrastructure;

(ii) implement stewardship objectives that enhance forest ecosystems; and

(iii) restore and improve land health and water quality;

(B) enjoy broad-based support; and

(C) have objectives that may include—

(i) road, trail, and infrastructure maintenance or obliteration;

(ii) biodiversity improvement;

(iii) improvements in forest ecosystem health;

(iv) watershed restoration and maintenance; and

(v) the restoration, maintenance, and improvement of wildlife and fish habitat;

(vi) the control of noxious and exotic weeds; and

(vii) the reestablishment of native species; and

(3) to improve cooperative relationships among—

(A) the people that use and care for Federal land; and

(B) the agencies that manage the Federal land.

“SEC. 3. DEFINITIONS.

‘In this Act:

(1) ADJUSTED SHARE.—The term ‘adjusted share’ means—

(A) the number equal to the quotient obtained by dividing—

(i) the number of acres of Federal land described in paragraph (7)(A) in each eligible county; by

(ii) the income adjustment for the eligible county; by

(iii) the income adjustment for the eligible county; and

(iv) the number equal to the sum of the quotients obtained under subparagraph (A) and paragraph (8)(A) for all eligible counties.

(2) BASE SHARE.—The term ‘base share’ means the number equal to the average of—

(A) the quotient obtained by dividing—

(i) the number of acres of Federal land described in paragraph (7)(A) in each eligible county; by

(ii) the total number acres of Federal land in all eligible counties in all eligible States; and

(B) the quotient obtained by dividing—

(i) the amount equal to the average of the 3 highest 25-percent payments made to each eligible county during the eligibility period; by

(ii) the full funding amount for the fiscal year.

‘(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (2)(B)(i) for all eligible counties in all eligible States during the eligibility period.

(10) 50-PERCENT PAYMENT.—The term ‘50-percent payment’ means the payment that is the sum of the 50-percent share otherwise payable to each county pursuant to title II of the Act of August 28, 1937 (chapter 576; 50 Stat. 875; 43 U.S.C. 1181f et seq.), and the payment made to a county pursuant to the Act of May 24, 1929 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.).

(11) FULL FUNDING AMOUNT.—The term ‘full funding amount’ means—

(A) $5,000,000,000 for fiscal year 2008; and

(B) for fiscal year 2009 and each fiscal year thereafter, the amount that is equal to 85 percent of the full funding amount for the preceding fiscal year.

(12) INCOME ADJUSTMENT.—The term ‘income adjustment’ means the square of the quotient obtained by dividing—

(A) the per capita personal income for each eligible county; by

(B) the median per capita personal income of all eligible counties.

(13) PER CAPITA PERSONAL INCOME.—The term ‘per capita personal income’ means the most recent per capita personal income data, as determined by the Bureau of Economic Analysis.

(14) SAFETY NET PAYMENTS.—The term ‘safety net payments’ means the special payment amounts paid to States and counties required by section 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f–1 note).

(15) SECRETARY CONCERNED.—The term ‘Secretary concerned’ means—

(A) the Secretary of Agriculture or the designee of the Secretary of Agriculture with respect to the Federal land described in paragraph (7)(A); and

(B) the Secretary of the Interior or the designee of the Secretary of the Interior with respect to the Federal land described in paragraph (1)(B).

(16) STATE PAYMENT.—The term ‘State payment’ means the payment for an eligible State calculated under section (a).

(17) 25-PERCENT PAYMENT.—The term ‘25-percent payment’ means the payment to States required by paragraph under the heading of ‘FOREST SERVICE’ in the Act of May 23, 1908 (35 Stat. 269; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

“TITLE 1—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LAND

“SEC. 101. SECURE PAYMENTS FOR STATES CONTAINING FEDERAL LAND.

“(a) STATE PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of Agriculture shall calculate for each eligible State an amount equal to the sum of the products obtained by multiplying—

(1) the adjusted share for each eligible county within the eligible State; by

(2) the full funding amount for the fiscal year.

“(b) COUNTY PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of the Interior shall calculate for each eligible county that received a 25-percent payment during the eligibility period an amount equal to the product obtained by multiplying—

(1) the 50-percent adjusted share for the eligible county; by

(2) the full funding amount for the fiscal year.
SEC. 102. PAYMENTS TO STATES AND COUNTIES.

(a) PAYMENT AMOUNTS.—Except as provided in section 103, the Secretary of the Treasury shall pay to each State or territory of the United States an amount equal to the sum of the amounts elected under subsection (b) by each county or territory therein.

(A) if the county is eligible for the 25-percent payment, the share of the 25-percent payment; or

(B) the share of the State payment of the eligible county; and

(2) a county an amount equal to the amount elected under subsection (b) by each county or territory therein.

(A) if the county is eligible for the 50-percent payment, the 50-percent payment; or

(B) the county payment for the eligible county.

(b) ELECTION To RECEIVE PAYMENT AMOUNT.—

(1) ELECTION; SUBMISSION OF RESULTS.—

(A) IN GENERAL.—The election to receive a share of the State payment, the county payment, a share of the State payment and the county payment, a share of the 25-percent payment, the 50-percent payment, or a share of the 25-percent payment and the 50-percent payment, as applicable, shall be made at the discretion of each affected county by August 1, 2006, and August 1 of each second fiscal year thereafter, in accordance with paragraph (2), and transmitted to the Secretary concerned by the Governor of each eligible State.

(B) FAILURE TO TRANSMIT.—If an election for an affected county is not transmitted to the Secretary concerned by the date specified under subparagraph (A), the affected county shall be considered to have elected to receive a share of the State payment, the county payment, a share of the State payment and the county payment, as applicable, to be effective for 2 fiscal years.

(C) FULL FUNDING AMOUNT.—If a county elected to receive a share of the 25-percent payment or 50-percent payment, as applicable, shall be effective for all subsequent fiscal years through fiscal year 2011.

(D) RESERVE OR EXEMPTION AMOUNTS.—The payment to an eligible State or eligible county under this section for a fiscal year shall be derived from—

(A) any revenues, fees, or miscellaneous receipts, exclusive of deposits to any relevant trust fund, special account, or permanent operating funds, received by the Federal Government from activities by the Bureau of Land Management or the Forest Service on the applicable Federal land; and

(B) to the extent of any shortfall, out of any amounts in the Treasury of the United States not otherwise appropriated.

(E) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

(1) DISTRIBUTION METHOD.—A State that receives a payment under subsection (a) for Federal land described in section 37A of the Act of May 23, 1908 (16 U.S.C. 500) shall distribute the appropriate payment amount among the appropriate counties in the State in accordance with—

(A) the Act of May 23, 1908 (16 U.S.C. 500); and

(B) section 13 of the Act of March 1, 1911 (38 Stat. 963; 16 U.S.C. 500).

(2) EXPENDITURE PURPOSES.—Subject to subsection (a), the State distribution made under paragraph (1) shall be expended as required by the laws referred to in paragraph (1).

(3) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

(4) ALLOCATIONS.—

(A) USE OF PORTION IN SAME MANNER AS 25-PERCENT PAYMENT OR 50-PERCENT PAYMENT, AS APPLICABLE.—Except as provided in paragraph (2), the eligible county shall receive its share of the State payment or the county payment, not less than 80 percent, but not more than 85 percent, of the funds in accordance with paragraph (1) shall be expended in projects in which the 25-percent payments or 50-percent payment, as applicable, are required to be expended.

(B) ELECTION AS TO USE OF BALANCE.—Except as provided in subparagraph (C), an eligible county shall elect to do 1 or more of the following with the balance of any funds not expended pursuant to subparagraph (A):—

(i) Reserve any portion of the balance for projects in accordance with title II.

(ii) Reserve not more than 7 percent of the total share for the eligible county of the State payment or the county payment for projects in accordance with title III.

(iii) Return the portion of the balance not reserved under clauses (i) and (ii) to the Treasury of the United States.

(C) COUNTRIES WITH MODERATE DISTRIBUTIONS.—

In the case of any eligible county to which more than $550,000 is distributed for any fiscal year pursuant to either or both of paragraphs (1) and (2) of section 102(b), the eligible county may, with the prior approval of the Secretary, transfer any funds not expended pursuant to subparagraph (A) for that fiscal year, shall—

(i) reserve any portion of the balance for—

(I) carrying out projects under title II;

(II) carrying out projects under title III; or

(III) a combination of the purposes described in subclauses (I) and (II); or

(ii) return the portion of the balance not reserved under clause (i) to the Treasury of the United States.

(D) DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Funds reserved by an eligible county under subparagraph (B)(i) or (C)(i) of paragraph (1) for carrying out projects under title II shall be deposited in a special account in the Treasury of the United States.

(B) AVAILABILITY.—Amounts deposited under subparagraph (A) shall—

(i) be available for expenditure by the Secretary concerned, without further appropriation, for—

(A) the expenses of the Federal Government in administering programs under this Act; and

(B) public lands projects in the States of California, Oregon, and Washington.

(C) NOTIFICATION.—

(I) IN GENERAL.—An eligible county shall notify the Secretary concerned of an election to expend the amount under this subsection not later than September 30 of each fiscal year.

(ii) FAILURE TO ELECT.—Except as provided in subparagraph (A), if the eligible county fails to make an election by the date specified in clause (i), the eligible county shall—

(I) be considered to have elected to expend 85 percent of the funds in accordance with paragraph (1)(A); and

(II) return the balance to the Treasury of the United States.

(D) COUNTIES WITH MINOR DISTRIBUTIONS.—

In the case of each eligible county to which less than $100,000 is distributed for any fiscal year pursuant to either of paragraphs (1)(B) and (2)(B) of section 102(b), the eligible county may elect to expend all the funds in the same manner in which the 25-percent payments or 50-percent payments, as applicable, are required to be expended.

(e) TIME FOR PAYMENT.—The payments required under this section for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

SEC. 103. TRANSITION PAYMENTS TO THE STATES OF CALIFORNIA, OREGON, AND WASHINGTON.

(a) DEFINITIONS.—In this section:

(A) 'Adjusted amount' means, with respect to a covered State, the amount elected under section 102(b) to receive the county payment for fiscal year 2008.

(B) for fiscal year 2006, 75 percent of—

(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2009; and

(ii) the sum of the amounts paid for fiscal year 2005 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2009; and

(C) for fiscal year 2010, 65 percent of—

(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2010; and

(ii) the sum of the amounts paid for fiscal year 2005 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2010.

(b) TRANSITION PAYMENTS.—For each of fiscal years 2006 through 2010, in lieu of the payment amounts that otherwise would have been made under paragraphs (1)(B) and (2)(B) of section 102(b), the Secretary shall pay the adjusted amount to each covered State and the eligible counties within the covered State, as applicable.

(c) DISTRIBUTION OF ADJUSTED AMOUNT IN CALIFORNIA, OREGON, AND WASHINGTON.—It is the intent of Congress that the method of distributing the payments under subsection (b) among the counties in the States of Oregon and Washington, in the States of California, Oregon, and Washington, and the State of California in the same proportion that the payments were distributed to the eligible counties in fiscal year 2006.

(d) DISTRIBUTION OF PAYMENTS IN CALIFORNIA.—The following payments shall be distributed among the eligible counties in the State of California in the same proportion that payments under section 102(a)(2) (as in effect on September 29, 2006) were distributed to the eligible counties for fiscal year 2006:

(1) Payments to the State of California under subsection (b)

(2) The shares of the eligible counties of the State payment for California under section 102 for fiscal year 2011.

(e) TREATMENT OF PAYMENTS.—For purposes of this Act, any payment made under subsection (b) shall be considered to be a payment made under section 102(a).
"TITLE II—SPECIAL PROJECTS ON FEDERAL LAND

SEC. 201. DEFINITIONS.

In this title:

(1) the term ‘participating county’ means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

(2) ‘Project Funds.’ The term ‘project funds’ means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

(3) ‘Resource Advisory Committee.’ The term ‘resource advisory committee’ means—

(A) a committee established by the Secretary concerned under section 205; or

(B) an advisory committee determined by the Secretary concerned to meet the requirements of section 235.

(4) ‘Resource Management Plan.’ The term ‘resource management plan’ means—

(A) a land use plan prepared by the Bureau of Land Management for units of Federal land described in section 3(7)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712); or

(B) a land and resource management plan prepared by the Forest Service for units of the National Forest System pursuant to section 639 of title 16, United States Code, including applicable Resource Planning Act of 1974 (16 U.S.C. 1601).

SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

(a) Limitation. Project funds shall be expended solely on projects that meet the requirements of subsection (b).

(b) Authorized Uses. Project funds may be used by the Secretary concerned for the purpose of entering into and implementing cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of this Act on Federal land and on non-Federal land where projects would benefit the resources on Federal land.

SEC. 203. SUBMISSION OF PROJECT PROPOSALS.

(a) Submission of Project Proposals to Secretary Concerned. Each eligible county may propose to pool project funds or other funds, described in subsection (2), and jointly propose a project or group of projects to a resource advisory committee established under section 205.

(b) Requirement of Description of Projects. In submitting proposed projects to the Secretary concerned under subsection (a), a resource advisory committee shall include in the description of each proposed project the following information:

(i) The purpose of the project and a description of how the project will meet the purposes of this title.

(ii) The anticipated duration of the project.

(iii) The anticipated cost of the project.

(iv) The proposed source of funding for the project, whether project funds or other funds.

(v)(A) Expected outcomes, including how the project will meet or exceed desired ecological conditions, maintenance objectives, or stewardship objectives.

(B) An estimate of the amount of any timber, forage, and other commodities and other economic activity, including jobs generated, if any, anticipated as part of the project.

(vi) A detailed monitoring plan, including funding needs and sources, that—

(A) tracks and identifies the positive or negative impacts of the project, implementation, and provides for validation monitoring; and

(B) includes an assessment of the following:

1. Whether or not the project met or exceeded ecological conditions; created local employment or training opportunities, including summer youth jobs programs such as the Youth Conservation Corps where appropriate.

2. Whether the project improved the use of, or added value to, any products removed from land consistent with the purposes of this title.

3. An assessment that the project is to be in the public interest.

(c) Authorized Projects. Projects proposed under subsection (a) shall be consistent with section 2.

SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

(a) Conditions for Approval of Proposed Project. The Secretary concerned may make a decision to approve a project submitted by a resource advisory committee under section 203 only if the proposed project satisfies each of the following conditions:

1. The project complies with all applicable Federal laws (including regulations).

2. The project is consistent with the applicable resource management plan and with any applicable timber plan developed pursuant to the resource management plan and approved by the Secretary concerned.

3. The project is approved by the resource advisory committee in accordance with section 205, including the procedures issued under subsection (e) of that section.

4. A project description has been submitted by the resource advisory committee to the Secretary concerned in accordance with section 203.

5. The project will improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and productivity to meet stewardship objectives.

(b) Environmental Reviews.

(i) Request for Payment by County. The Secretary concerned may request the resource advisory committee submitting a proposed project to agree to the use of project funds to pay for any environmental review, consultation, or compliance with applicable environmental laws required in connection with the project.

(ii) Conduct of Environmental Review. If a payment is requested under paragraph (1) and the resource advisory committee agrees to the expenditure of funds for this purpose, the Secretary concerned shall conduct environmental review, consultation, or compliance with applicable environmental laws in accordance with Federal laws (including regulations).

(iii) Effect of Refusal to Pay. (A) In General.—If a resource advisory committee does not agree to the expenditure of funds under paragraph (1), the project shall be deemed withdrawn from further consideration by the Secretary concerned pursuant to this title.

(B) Effect of Withdrawal.—A withdrawal under subparagraph (A) shall be deemed to be a rejection of the project for purposes of section 207(c).

(c) Rejection of Proposed Projects. (1) General. A decision by the Secretary concerned to reject a proposed project shall be at the sole discretion of the Secretary concerned.

(B) No Administrative Appeal or Judicial Review.—Notwithstanding any other provision of law, a decision by the Secretary concerned to reject a proposed project shall not be subject to administrative appeal or judicial review.

(2) Notice of Proposal Approval. The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if the notice would be required had the project originated with the Secretary.

(d) Source and Conduct of Project. Once the Secretary concerned accepts a project for review under section 203, the acceptance shall be deemed a Federal action for all purposes.

(e) Implementation of Approved Projects.

1. Cooperation.—Notwithstanding chapter 63 of title 31, United States Code, using project funds the Secretary concerned may enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

2. Best Value Contracting. (A) In General.—Any project involving a contract authorized by paragraph (1) the Secretary concerned may select a source for performance of the contract on a best value basis.

(B) Factors.—The Secretary concerned shall determine best value based on such factors as—

(i) the technical demands and complexity of the work to be done;

(ii) the ecological objectives of the project; and

(iii) the sensitivity of the resources being treated;

(iv) the past experience by the contractor with the type of work being done, using the type of equipment as applicable;

(v) the commitment of the contractor to hiring highly qualified workers and local residents.

3. Merchantable Timber Contracting Pilot Program. (A) Establishment. The Secretary concerned shall establish a pilot program to implement a certain percentage of approved projects involving the sale of merchantable timber from private lands using separate contracts for—

1. the harvesting or collection of merchantable timber; and

2. the sale of the timber.

(A) Annual Percentages. Under the pilot program, the Secretary concerned shall ensure that, on a nationwide basis, not less...
(A) CHARTER.—A charter for a committee described in subparagraph (A) that was filed on or before September 29, 2006, shall be considered to be filed for purposes of this Act.

(B) BURDEN OF PROOF.—A resource advisory committee established after September 29, 2006, or an advisory committee determined by the Secretary concerned before September 29, 2006, to meet the requirements of this section may be deemed by the Secretary concerned to be a resource advisory committee for the purposes of this title.

(3) MAXIMUM AMOUNT OF ASSISTANCE.—The total amount obligated under this subparagraph may not exceed $1,000,000 for any fiscal year during which the project is in effect.

(4) REQUIREMENTS FOR PROJECT FUNDS.—

(A) IN GENERAL.—The Secretary concerned shall ensure that each resource advisory committee established meets the requirements of subsection (d).

(B) INITIAL APPOINTMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall make initial appointments to the resource advisory committee for a term of 4 years beginning on the date of appointment.

(C) MEETINGS.—The Secretary concerned shall make appointments to fill vacancies on any resource advisory committee as soon as practicable after the vacancy has occurred.

(D) COMPENSATION.—Members of a resource advisory committee shall not receive any compensation.

(E) COMPOSITION OF ADVISORY COMMITTEE.—

(1) NUMBER.—Each resource advisory committee shall be comprised of 15 members.

(2) COMMUNITY INTERESTS REPRESENTED.—Community interests shall be represented by the following:

(A) 5 persons that—

(i) represent organized labor or non-timber forest product harvester groups;

(ii) represent developed outdoor recreation, on highway vehicle users, or commercial recreational interests;

(iii) represent the commercial timber industry; or

(iv) hold Federal grazing or other land use permits from appropriate land management agency officials.

(B) 5 persons that—

(i) nationally recognized environmental organizations;

(ii) regionally or locally recognized environmental organizations;

(iii) dispersed recreational activities;

(iv) archaeological and historical interests;

(v) representatives of wild horse and burro interest groups; or

(vi) representatives of organizations of local interest groups.

(C) 5 persons that—

(i) hold State elected office (or a designee);

(ii) hold county or local elected office;

(iii) represent American Indian tribes within or adjacent to the area for which the committee is organized;

(iv) are school officials or teachers;

(v) represent the affected public at large.

(D) BALANCED REPRESENTATION.—In appointing committee members from the 3 categories in paragraph (2), the Secretary concerned shall provide for balanced and broad representation from within each category.

(E) GEOGRAPHIC DISTRIBUTION.—In the case of a resource advisory committee, the Secretary concerned shall ensure that there is representation from a reasonable cross-section of the geographic areas within the United States in which the committee has jurisdiction and, to extent practicable, the Secretary concerned shall ensure local representation in each category in paragraphs (2) and (3).

(F) CHAIRPERSON.—A majority on each resource advisory committee shall select the chairperson of the committee.

(G) APPOINTMENT BY MAJORITY OF MEMBERS.—

(A) IN GENERAL.—Subject to paragraph (3), each resource advisory committee shall establish procedures for proposing projects to the Secretary concerned.

(B) QUORUM.—A quorum must be present to constitute an official meeting of the committee.

(H) APPOINTMENT OF ADDITIONAL MEMBERS.—If the project has been approved by a majority of members of the committee from each of the 3 categories in subsection (d)(2).

(I) OTHER COMMITTEE AUTHORITIES AND REQUIREMENTS.—

(A) ADVISOR ASSISTANCE.—A resource advisory committee may submit to the Secretary concerned a request for periodic staff assistance from Federal employees under the jurisdiction of the Secretary concerned.

(B) MEETINGS.—All meetings of a resource advisory committee shall be conducted at least 1 week in advance in a local newspaper of record and shall be open to the public.

(C) RECORDS.—A resource advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

(2) USE OF PROJECT FUNDS.—

(A) AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.—

(I) AGREEMENT BETWEEN PARTIES.—The Secretary concerned may carry out a project submitted by a resource advisory committee under section 203(a) using project funds or other funds described in section 203(a)(2), if, as soon as practicable after the issuance of a decision document for the project and the exhaustion of all administrative appeals and judicial review of the project decision, the Secretary concerned and the resource advisory committee enter into an agreement addressing, at a minimum, the following:

(A) The schedule for completing the project;

(B) The total cost of the project, including the level of agency overhead to be assessed against the project.
‘’(C) For a multiyear project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

‘’(D) The remedies for failure of the Secretary concerned to comply with the terms of the agreement consistent with current Federal law.

‘’(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary may decide, in the discretion of the Secretary concerned, to reduce or deplete the funds available for the project in whole or in part using project funds, or other funds described in section 205(a)(2) and other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

‘’(3) OBLIGATIONS TRANSFERS FOR MULTIYEAR PROJECTS.—

‘’(A) IN GENERAL.—For the second and subsequent fiscal years of a multiyear project to be funded in whole or in part using project funds, the first paragraph of subsection (a) in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

‘’(B) SUSPENSION OF WORK.—The Secretary concerned may decide, in the discretion of the Secretary concerned, to reduce or deplete the funds available for the project in whole or in part using project funds, or other funds described in section 205(a)(2) and other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

‘’(1) SUBMISSION OF PROPOSED PROJECTS TO Obligating FUNDS.—By September 30 of each fiscal year through fiscal year 2011, a re-sourced advisory committee shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of the full amount of the project funds reserved by the participating county in the preceding fiscal year.

‘’(2) LAYING OFF UNOBLIGATED FUNDS.—Subject to section 208, if a resource advisory committee fails to comply with subsection (a) for a fiscal year, any project funds reserved by the participating county in the preceding fiscal year and remaining unobligated shall be available for use as part of the project submissions in the next fiscal year.

‘’(c) EFFECT OF REJECTION OF PROJECTS.—

‘’(1) Subject to section 208, any project funds reserved by the participating county in the preceding fiscal year that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects are available for use as part of the project submissions in the next fiscal year.

‘’(d) EFFECT OF COURT ORDERS.—

‘’(1) IN GENERAL.—If an approved project under this Act is enjoined or prohibited by a Federal court, the Secretary concerned shall return to the participating county project funds related to the project to the participating county or counties that reserved the funds.

‘’(2) EXPENDITURE OF FUNDS.—The returned funds shall be used in accordance with this chapter; and

‘’(3) TERMINATION OF AUTHORITY.—

‘’(a) IN GENERAL.—The authority to initiate projects under this title shall terminate on September 30, 2012.

‘’(b) DEPOSITS IN TREASURY.—Any project funds not obligated by September 30, 2012, shall be deposited in the Treasury of the United States.

‘’(EFFECTIVE FOR COUNTY FUNDS

‘’SEC. 301. DEFINITIONS.

‘’In this title:

‘’(1) COUNTY FUNDS.—The term ‘county funds’ means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

‘’(2) COUNTY PROJECT.—The term ‘county project’ means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

‘’SEC. 302. USE.

‘’(a) AUTHORIZED USE.—A participating county, including any applicable agencies of the county, shall use county funds, in accordance with this title, only—

‘’(1) to carry out activities under the Firewise Communities Program to provide homeowners in fire-sensitive ecosystems education on, and assistance with implementing, techniques in home and home landscaping that can increase the protection of people and property from wildfires;

‘’(2) to reimburse the participating county for search and rescue and other emergency services; and

‘’(3) to develop community wildfire protection plans in coordination with the appropriate Secretary concerned.

‘’(b) PROPOSALS.—A participating county shall use county funds for a use described in subsection (a) only after a 45-day public comment period, at the beginning of which the participating county shall—

‘’(1) publish in any publications of local record a proposal that describes the proposed use of the county funds; and

‘’(2) submit the proposal to any resource advisory committee established under section 205 for the participating county.

‘’SEC. 303. CERTIFICATION.

‘’(a) IN GENERAL.—Not later than February 1 of the year in the year in which any county funds were expended by a participating county, the appropriate official of the participating county shall submit to the Secretary concerned a certification that the county funds expended in the applicable year have been used for the uses authorized under section 302(a), including a description of the amounts expended and the uses for which the amounts were expended.

‘’(b) REVIEW.—The appropriate Secretary concerned shall submit under subsection (a) as the Secretary concerned determines to be appropriate.

‘’SEC. 304. TERMINATION OF AUTHORITY.

‘’(a) IN GENERAL.—The authority to initiate projects under this title terminates on September 30, 2011.

‘’(b) AVAILABILITY.—Any county funds not obligated by September 30, 2012, shall be returned to the Treasury of the United States.

‘’SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

‘’(a) In general.—The terms ‘county funds’ are authorized to be paid out of any other annual appropriations for the Forest Service and the Bureau of Land Management.

‘’(b) Deposit of Revenues and Other Funds.—All revenues generated from projects pursuant to this Act, including any interest accrued from the revenues, shall be deposited in the Treasury of the United States.

‘’SEC. 401. REGULATIONS.

‘’The Secretary of Agriculture and the Secretary of the Interior shall issue regulations to carry out the purposes of this Act.

‘’SEC. 403. TREATMENT OF FUNDS AND REVENUES.

‘’(a) Relation to Other Appropriations.—

‘’(b) Deposit of Revenues and Other Funds.—

‘’(c) Payments in Lieu of Taxes.—

‘’(1) IN GENERAL.—

‘’(2) WEEKS LAW.—

‘’(3) BUDGET SCOREKEEPING.—

‘’(a) In general.—

‘’(b) Deposit of Revenues and Other Funds.—

‘’(c) References to other Appropriations.—

‘’SEC. 6906. Funding.

‘’For fiscal year 2009—

‘’(1) each county or other eligible unit of local government shall be entitled to pay-ments under this chapter; and

‘’(2) sums shall be made available to the Secretary of the Interior for obligation or expenditure in accordance with this chapter.

‘’(C) CONFORMING AMENDMENT.—The table of sections for chapter 69 of title 31, United States Code, is amended by striking the item relating to section 6906 and inserting the following:

‘’SEC. 6906. Funding.

‘’For fiscal year 2009—

‘’(1) each county or other eligible unit of local government shall be entitled to pay-ments under this chapter; and

‘’(2) sums shall be made available to the Secretary of the Interior for obligation or expenditure in accordance with this chapter.

‘’(A) In general.—

‘’(B) Budget scorekeeping.—

‘’(C) Conclusion of budget scorekeeping—

‘’(D) Authorization of appropriations—

‘’(1) in general—

‘’(2) funds made available under section 402 and other funds made available under section 206 shall be in addition to any other annual appropriations for the Forest Service and the Bureau of Land Management.

‘’(3) TERMINATION OF AUTHORITY.

‘’(a) IN GENERAL.—

‘’(b) DEPOSITS IN TREASURY.—

‘’(c) deposit of Revenues and Other Funds.—

‘’(d) OBLIGATIONS OF APPROPRIATIONS.—

‘’(e) Deposit of Revenues and Other Funds.—

‘’(f) TREATMENT OF FUNDS AND REVENUES.

‘’(g) RELATION TO OTHER APPROPRIATIONS.—

‘’(h) Deposit of Revenues and Other Funds.—

‘’(i) Payment in Lieu of Taxes.—

‘’(j) RELATION TO OTHER APPROPRIATIONS.—

‘’(k) DEPOSIT OF REVENUES AND OTHER FUNDS.—

‘’(l) Authorization of appropriations—

‘’(m) Payment in Lieu of Taxes.—

‘’(n) deposit of Revenues and Other Funds.—

‘’(o) TREATMENT OF FUNDS AND REVENUES.

‘’(p) RELATION TO OTHER APPROPRIATIONS.—

‘’(q) DEPOSIT OF REVENUES AND OTHER FUNDS.—

‘’(r) Authorization of appropriations—

‘’(s) Payment in Lieu of Taxes.—

‘’(t) DEPOSIT OF REVENUES AND OTHER FUNDS.—

‘’(u) TREATMENT OF FUNDS AND REVENUES.

‘’(v) RELATION TO OTHER APPROPRIATIONS.—

‘’(w) DEPOSIT OF REVENUES AND OTHER FUNDS.—

‘’(x) Authorization of appropriations—

‘’(y) Payment in Lieu of Taxes.—

‘’(z) DEPOSIT OF REVENUES AND OTHER FUNDS.—

‘’(aa) Authorization of appropriations—

‘’(bb) Payment in Lieu of Taxes.—
SA 3842. Mr. REID proposed an amendment to amendment SA 3841 proposed by Mr. REID to the bill H.R. 6, to move the United States toward greater energy independence and security, to increase the production of clean renewable fuels, to protect consumers from price gouging, to increase the energy efficiency of products, buildings, and vehicles, to promote research on and deploy greenhouse gas capture and storage technologies, and to improve the energy performance of the Federal Government, and for other purposes; as follows:

At the end of the amendment add the following:

This section shall take effect one day after the date of this bill's enactment.

SA 3843. Mr. FEINGOLD (for himself and Mr. MENENDEZ) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the title I, insert the following:

Subtitle H—Flexible State Funds

SEC. 1941. OFFSET.

(a) General.—

(1) IN GENERAL.—Except as provided in paragraph (3) and notwithstanding any other provision of this Act, for the period beginning on October 1, 2007, and ending on September 30, 2012, the Secretary shall reduce the total amount of payments described in paragraph (2) received by the producers on a farm the fixed payment component of an average crop revenue payment for a covered commodity or peanuts received by the producers on a farm for a crop year under section 1103 or 1303;

(2) PAYMENT.—A payment described in this paragraph is a payment in an amount of more than $10,000 for the crop year that is—

(A) a direct payment for a covered commodity or peanuts received by the producers on a farm for a crop year under section 1103 or 1303; or

(B) the fixed payment component of an average crop revenue payment for a covered commodity or peanuts received by the producers on a farm for a crop year under section 1103 or 1303;

(3) APPLICATION.—This subsection does not apply to a payment provided under a contract entered into by the Secretary before the date of enactment of this Act.

(b) SAVINGS.—The Secretary shall ensure, to the maximum extent practicable, that any savings resulting from subsection (a) are used—

(1) to provide $15,000,000 for each of fiscal years 2008 through 2012 to carry out section 2703 of the Conservation Reserve Program; and

(2) to provide an additional $35,000,000 for fiscal year 2008 and $40,000,000 for each of fiscal years 2009 through 2012 to carry out the grassland reserve program established under subchapter C of chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3839n et seq.).

SEC. 1601. EFFECTIVE DATE.

(1) IN GENERAL.—This Act and the amendments made by this Act take effect on the date of this Act.

(2) PAYMENT.—(A) IN GENERAL.—A payment described in this section shall take effect one day after the date of enactment of this Act.

(B) SAVINGS.—The effect of the amendments made by this Act shall not be construed to affect any savings resulting from subsection (a) are used—

(1) to provide $15,000,000 for each of fiscal years 2008 through 2012 to carry out section 2703 of the Conservation Reserve Program; and

(2) to provide an additional $35,000,000 for fiscal year 2008 and $40,000,000 for each of fiscal years 2009 through 2012 to carry out the grassland reserve program established under subchapter C of chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3839n et seq.).

(3) DETERMINATION.—(A) IN GENERAL.—Each State board established under subsection (a) shall determine the use of funds allocated under subsection (a) for a fiscal year may be used to carry out outreach activities described in paragraph (3).

(B) REQUIREMENT.—Of the funds allocated under subsection (a) during each 5-year period, at least 20 percent of the funds shall be used to carry out eligible programs described in subparagraphs (M) through (P) of subsection (c)(1).
(J) to provide organic certification cost share or transition funds under the national organic program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.);

(K) to provide grants under the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001);

(L) to provide grants under the Farmers’ Market Promotion Program established under section 4 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005);

(M) to provide vouchers for the seniors farm nutrition program established under section 4902 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007);

(N) to provide vouchers for the farmers’ market nutrition program established under section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m));

(O) to provide grants to improve access to local foods and school gardens under section 18(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1786(i)); and

(P) subject to paragraph (2), to provide additional Nationally produced commodities for use by the State for any of—

(i) the fresh fruit and vegetable program under section 18 of the Richard B. Russell National School Lunch Act (as added by section 4903);

(ii) the commodity supplemental food program established under section 6 of the Agriculture and Food Act of 1968 (7 U.S.C. 2012c note; Public Law 93–86);

(iii) the emergency food assistance program established under the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.);

(iv) the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766); and

(v) the food distribution program on Indian reservations established under section 4(b) of the Food and Nutrition Act of 2007 (7 U.S.C. 2013(b)).

(2) Waivers.—

(A) In general.—The Secretary may waive a local or regional purchase requirement under any program described in clauses (i) through (v) of paragraph (1)(P) if the applicable State board demonstrates to the satisfaction of the Secretary that a sufficient quality or quantity of a local or regional product is not available.

(B) Effect.—A product purchased by a State under subparagraph (A) may be considered to be a waiver under subparagraph (A) in lieu of a local or regional product shall be produced in the United States.

(d) MAINTENANCE OF EFFORT.—Funds made available to a program of a State under this section shall be in addition to, and shall not supplant, any other funds provided to the program by Federal, State, or local law (including regulations).

(e) EVALUATION AND REPORT.—Not later than 7 years after this Act is enacted, the Secretary shall—

(1) evaluate the effectiveness of State funds made available under this section in meeting the unmet needs of agricultural producers, rural communities, and nutrition of school children and low-income individuals;

(2) evaluate whether base grants under subsection (a)(1) and proportional funding under subsection (a)(2) are equitable, based on national needs and the relative needs of each State;

(3) develop recommendations on whether the State flexible accounts described in section (a)(2)(B) should be continued and, if so, what changes should be made to the program;

(4) if the Secretary recommends that the State flexible accounts should not be continued, develop recommendations on what additional increases in other programs would be more beneficial to the broadest group of family farmers, rural communities, and the nutrition of school children and low-income individuals;

(5) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry a report containing the evaluation and recommendations required under this subsection.

SEC. 1843. GRANTS TO IMPROVE TECHNICAL INFRASTRUCTURE AND IMPROVE QUALITY OF RURAL HEALTH CARE FACILITIES.

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) (as amended by section 6026) is amended by adding after the first sentence of section 6026 —

SEC. 379F. GRANTS TO IMPROVE TECHNICAL INFRASTRUCTURE AND QUALITY OF RURAL HEALTH CARE FACILITIES.

(4) DEFINITIONS.—In this section—

(1) HEALTH INFORMATION TECHNOLOGY.—The term ‘health information technology’ includes total expenditures incurred for—

(A) purchasing, leasing, and installing computer software and hardware, including handheld computer technologies, and related services;

(B) making improvements to computer software and hardware;

(C) purchasing or leasing communications capabilities necessary for clinical data access, storage, and exchange;

(D) services associated with acquiring, implementing, operating, or optimizing the use of computer software and hardware and clinical health care informatics systems;

(E) providing education and training to rural health facility staff on information systems and trends in use to improve patient safety and quality of care; and

(F) purchasing, leasing, subleasing, or servicing support to establish interoperability that—

(i) integrates patient-specific clinical data with well-established national treatment guidelines;

(ii) provides continuous quality improvement functions that allow providers to assess improvement rates over time and against averages for similar providers; and

(iii) integrates with larger health networks.

(2) RURAL AREA.—The term ‘rural area’ means any area of the United States that is—

(A) included in the boundaries of any city, town, borough, or village, whether incorporated or not, with a population of more than 20,000 residents; or

(B) an urbanized area contiguous and adjacent to such a city, town, borough, or village.

(3) RURAL HEALTH FACILITY.—The term ‘rural health facility’ means any of—

(A) a hospital, (as defined in section 1861(e) of the Social Security Act (42 U.S.C. 1395x(e)));

(B) a critical access hospital (as defined in section 1861(mm) of that Act (42 U.S.C. 1395x(mm)));

(C) a Federally qualified health center (as defined in section 1861(aa) of that Act (42 U.S.C. 1395x(aa)))(a) that is located in a rural area;

(D) a rural health clinic (as defined in section 1861(mm) of that Act (42 U.S.C. 1395x(mm)));

(E) a medical group or other small rural hospital (as defined in section 1861(d)(5)(G) of that Act (42 U.S.C. 1395ww(d)(5)(G)); and

(F) a physician or physician group practice that—

(i) provides primary or specialty services to a rural health facility for the purpose of assisting rural health facilities in—

(i) purchasing health information technology to improve the quality of health care or patient safety; or

(ii) otherwise improving the quality of health care or patient safety, including through the development of—

(A) quality improvement support structures to assist rural health facilities and providers;

(iv) to increase integration of personal and population health services; and

(v) to address safety, effectiveness, patient- or community-centeredness, timeliness, efficiency, and equity; and

(B) innovative approaches to the financing and delivery of health services to achieve rural health quality goals.

(c) AMOUNT OF GRANT.—The Secretary shall determine the amount of a grant provided under this section.

(d) PROVISION OF INFORMATION.—A rural health facility that receives a grant under this section shall provide to the Secretary such information as the Secretary may require.

(1) to evaluate the project for which the grant is used; and

(2) to ensure that the grant is expended for the purposes for which the grant was provided.

(e) AUTHORIZATION OF APPROPRIATIONS.—The amounts authorized to be appropriated to the Secretary to carry out this section and such sums as are necessary for each of fiscal years 2008 through 2012.”.

SA 3844. Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) proposed an amendment to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3350 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; as follows:

In lieu of the matter to be inserted insert the following:

Subtitle —Public Safety Officers

SEC. 1. SHORT TITLE.

This subtitle may be cited as the ‘‘Public Safety Employer-Employee Cooperation Act of 2007’’.

SEC. 2. DECLARATION OF PURPOSE AND POLICY.

The Congress declares that the following is the policy of the United States:

(1) Labor-management relationships and partnerships are based on trust, mutual respect, open communication, bilateral contractual problem solving, and shared accountability. Labor-management cooperation fully utilizes the strengths of both parties to best serve the interests of the public, operating team, to carry out the public safety mission in a quality work environment. In many public safety agencies it is the union that provides the institutional stability as elected leaders and appointees come and go.

(2) State and local public safety officers play an essential role in the efforts of the United States to detect, prevent, and respond to terrorism, attacks, and other major emergencies. Public safety employer-employee cooperation is essential in...
meeting these needs and is, therefore, in the National interest.

(3) The Federal Government needs to encourage conciliation, mediation, and voluntary agreements in which both employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions that take all reasonable steps to settle their differences by mutual agreement reached through collective bargaining or by such methods as are provided for in any applicable agreement for the settlement of disputes.

(4) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officers, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining precludes the vagaries in the public safety sector that may prevent industrial strife between labor and management that interferes with the normal flow of commerce.

SEC. 3. DEFINITIONS.

In this subtitle:

(1) AUTHORITY.—The term ‘Authority’ means the Federal Labor Relations Authority.

(2) EMERGENCY MEDICAL SERVICES PERSONNEL.—The term ‘emergency medical services personnel’ means an individual who provides out-of-hospital emergency medical care, including an emergency medical technician or paramedic.

(3) EMPLOYER; PUBLIC SAFETY AGENCY.—The terms ‘employer’ and ‘public safety agency’ mean any State, or political subdivision of a State, that employs public safety officers.

(4) FIREFIGHTER.—The term ‘firefighter’ has the meaning given the term ‘employee engaged in fire protection activities’ in section 3(y) of the Fair Labor Standards Act (29 U.S.C. 203(y)).

(5) LABOR ORGANIZATION.—The term ‘labor organization’ means any organization, or part of an organization, engaged in whole or in part in the employment of two or more employees, or representing employees, in which employees participate, and which represents such employees before public safety agencies, or deals with public safety agencies concerning rates of pay, hours, and other terms and conditions of employment, and related matters.

(6) LAW ENFORCEMENT OFFICER.—The term ‘law enforcement officer’ means any officer or employee engaged in the enforcement of any State or local law, or the performance of any function of a law enforcement nature;

(7) MANAGEMENT EMPLOYEE.—The term ‘management employee’ means an individual employed by a public safety employer in a position that requires or authorizes the individual to formulate, determine, or influence the policies of the employer.

(8) PERSON.—The term ‘person’ means an individual or a labor organization.

(9) PUBLIC SAFETY OFFICER.—The term ‘public safety officer’ means:

(A) an employee of a public safety agency who is a law enforcement officer, a firefighter, or an emergency medical services personnel;

(B) includes an individual who is temporarily transferred to a supervisory or management position for appropriate purposes;

(C) does not include a permanent supervisory or management employee.

(10) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and any territory or possession of the United States.

(11) SUBSEQUENT DETERMINATION.—The term ‘subsequently’ means in effect on the date of enactment of this subtitle.

(12) SUPERVISORY EMPLOYEE.—The term ‘supervisory employee’ means an individual who, given such term under applicable State law in effect on the date of enactment of this subtitle, if no such State law is in effect, the term ‘supervisory employee’ is employed by a public safety employer, who

(A) has the authority in the interest of the employer to hire, direct, assign, promote, reward, transfer, furlough, lay off, recall, suspend, discipline, or remove public safety officers, to adjust their grievances, or to effectively recommend such action, if the exercise of such authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment; and

(B) devotes a majority of time at work exercising such authority.

SEC. 4. DETERMINATION OF RIGHTS AND RESPONSIBILITIES.

(a) DETERMINATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this subtitle, the Authority shall make a determination as to whether a State substantially provides for the rights and responsibilities described in subsection (b). In making such determinations, the Authority shall consider and give weight, to the maximum extent practicable, to the opinion of affected parties.

(2) SUBSEQUENT DETERMINATIONS.—

(A) IN GENERAL.—A determination made pursuant to paragraph (1) shall remain in effect unless and until the Authority issues a subsequent determination, in accordance with the procedures set forth in subparagraph (B).

(B) PROCEDURES FOR SUBSEQUENT DETERMINATIONS.—Upon establishing that a material change in State law or its interpretation has occurred, the Authority may submit a written request for a determination described in section 7123 of title 5, United States Code, shall be followed.

(3) Judicial Review.—Any person or employer aggrieved by a determination of the Authority under this section may, during the 60-day period beginning on the date on which the determination was made, petition any United States Court of Appeals in the circuit in which the person or employer resides or transacts business or in the District of Columbia circuit, for judicial review. In all such petitions, and any determination by the Authority, the procedures contained in subsections (c) and (d) of section 7125 of title 5, United States Code, shall be followed.

(b) ROYERS ACTIONS.—In making a determination described in subsection (a), the Authority shall consider whether a State substantially provides rights and responsibilities comparable to or greater than the following:

(1) Granting public safety officers the right to form and join a labor organization, which may include management employees and supervisory employees, that is, or seeks to be, recognized as the exclusive bargaining representative of such employees.

(2) Require employers to recognize the employees’ labor organization (freely chosen by a majority of the employees) to agree to bargain with the labor organization, and to commit any agreements to writing in a contract or memorandum of understanding.

(3) Permitting bargaining over hours, wages, and terms and conditions of employment.

(4) Making available an interest impasse resolution mechanism, such as fact-finding, mediation, arbitration, or comparable procedures.

(5) Requiring enforcement through State courts of—

(A) all rights, responsibilities, and protections provided by State law and enumerated in this section; and

(B) any written contract or memorandum of understanding.

(c) FAILURE TO MEET REQUIREMENTS.—

(1) IN GENERAL.—If the Authority determines, acting pursuant to its authority under subsection (a), that a State does not substantially provide for the rights and responsibilities described in subsection (b), such State shall be subject to the regulations and procedures described in section 5.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on the date of enactment and in 1 year after the date of enactment of this subtitle.

SEC. 5. ROLE OF FEDERAL LABOR RELATIONS AUTHORITY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this subtitle, the Authority shall issue regulations in accordance with the rights and responsibilities described in section 4(b), establishing collective bargaining procedures for employers and public safety officers in States which the Authority has determined, acting pursuant to section 4(b), do not substantially provide for such rights and responsibilities.

(b) ROLE OF THE FEDERAL LABOR RELATIONS AUTHORITY.—The Authority, to the extent necessary in this subtitle and in accordance with regulations prescribed by the Authority, shall—

(1) determine the appropriateness of units for labor organization representation;

(2) supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit;

(3) resolve issues relating to the duty to bargain in good faith;

(4) conduct hearings and resolve complaints of unfair labor practices;

(5) resolve exceptions to the awards of arbitrators;

(6) protect the right of each employee to form, join, or assist any labor organization, or to refrain from any such activity, freely and without fear of penalty or reprisal, and protect each employee in the exercise of such right; and

(7) take such other actions as are necessary and appropriate to effectively administer this subtitle. Such actions may include the issuance of subpoenas requiring the attendance and testimony of witnesses and the production of documentary or other evidence from any place in the United States, and administering oaths, taking or ordering the taking of depositions, ordering responses to written interrogatories, and receiving and examining witnesses扬尘 site.

(c) ENFORCEMENT.—

(1) AUTHORITY TO PETITION COURT.—The Authority may petition any United States court of appeals for the District of Columbia Circuit, to enforce any final orders under this section, and any appropriate temporary restraining order. Any petition under this section shall be conducted in accordance with
subsections (c) and (d) of section 7123 of title 5, United States Code.

(2) PRIVATE RIGHT OF ACTION.—Unless the Authority has filed a petition for enforcement as provided in paragraph (1), any party has the right to file suit in a State court of competent jurisdiction to enforce compliance with the regulations issued by the Authority pursuant to subsection (b) and to compel compliance with any order issued by the Authority pursuant to this section. The right provided by this subsection to bring a suit to compel compliance with any order issued by the Authority pursuant to this section shall terminate upon the filing of a petition seeking the same relief by the Authority.

SEC. 6. STRIKES AND LOCKOUTS PROHIBITED.

(a) PROHIBITION.—An employer, public safety officer, or labor organization may not engage in a lockout, sitdown, work slowdown, strike, or any other action that will measurably interfere with the maintenance of emergency services and is designed to compel an employer, public safety officer, or labor organization to agree to the terms of a proposed contract.

(b) TERMS AND CONDITIONS.—It shall not be a violation of subsection (a) for a public safety officer or labor organization to reasonably disrupt the delivery of emergency services to compel an employer, public safety officer, or labor organization to agree to the terms of a proposed contract.

SEC. 7. COLLECTIVE BARGAINING UNITS AND AGREEMENTS.

(a) Certification.—A certification, recognition, election, held, collective bargaining agreement or memorandum of understanding which has been issued, approved, or ratified by any public employee relations board or commission or by any State or political subdivision or its agents (management officials) and is in effect on the day before the date of enactment of this subtitle shall not be invalidated by the enactment of this subtitle.

(b) Authorization of Appropriate Representatives.—In the case of a labor organization (or an employer) designated under this section as the representative of the public safety officers covered by this subtitle, such labor organization shall be entitled to bargain as the exclusive representative of the public safety officers covered by this subtitle.

(c) Relocation Contracts.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(d) Exclusivity of Bargaining.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(e) Section 7123.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(f) Mainstruck.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(g) No Strike.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(h) No Lockout.—Nothing in this section shall be construed to limit or modify the rights and responsibilities described in section 8(b).

SEC. 8. CONSTRUCTION AND COMPLIANCE.

(a) Construction.—Nothing in this subtitle shall be construed to (1) delete or limit the remedies, rights, and procedures of any law of any State or political subdivision of any State or jurisdiction that provides greater or comparable rights and responsibilities than those set forth in 8(b); or (2) prevent a State from enacting laws or regulations that are more protective of the public safety officer's rights and responsibilities described in section 8(b).

(b) Exclusive Enforceability.—Nothing in this title shall affect the exclusive enforceability of a public safety officer's rights and responsibilities described in section 8(b).

(c) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(d) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(e) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(f) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(g) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

(h) Exclusivity of Bargaining.—Nothing in this subtitle shall be construed to limit or modify the rights and responsibilities described in section 8(b).

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subtitle.

This section shall take effect one day after this bill's enactment.
direct investments in business operations described in subsection (d).

On page 10, lines 24 and 25, strike ‘‘, directly or indirectly.’’

On page 10, lines 9 through 16.

On page 16, line 17, strike ‘‘(d)’’ and insert ‘‘(e)’’.

On page 17, line 3, strike ‘‘(e)’’ and insert ‘‘(d)’’.

On page 17, line 11, strike ‘‘(f)’’ and insert ‘‘(e)’’.

SA 3847. Mr. HARKIN (for Mr. RAUCH, for himself and Mr. GRASSLEY) proposed an amendment to the bill H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ‘‘Defenders of Freedom Tax Relief Act of 2007’’.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, wherever in this Act a term or reference is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

TITLES I—MEMBERS AND PROTECTIONS FOR MILITARY PERSONNEL

SEC. 101. PERMANENT EXTENSION OF QUALIFIED MORTGAGE BOND PROGRAM RULES FOR VETERANS.

SEC. 102. EXCLUSION OF CERTAIN AMOUNTS FROM INCOME FOR PURPOSES OF ELIGIBILITY FOR CERTAIN HOUSING PROVISIONS.

SEC. 103. PERMANENT EXTENSION OF ELECTION TO TREAT COMBAT PAY AS EARNED INCOME FOR PURPOSES OF ELIGIBILITY FOR EARNED INCOME CREDIT.

SEC. 104. EXTENSION OF STATUTE OF LIMITATIONS TO FILE CLAIMS FOR REFUNDS RELATING TO DISABILITY DETERMINATIONS BY DEPARTMENT OF VETERANS AFFAIRS.

SEC. 105. CREDIT FOR EMPLOYER DIFFERENTIAL WAGE PAYMENTS TO EMPLOYERS WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

SEC. 106. EXTENSION OF LIMITATION TO FILE CLAIMS FOR REUNIONS RELATING TO DISABILITY DETERMINATIONS BY DEPARTMENT OF VETERANS AFFAIRS.

TITLES III—REVENUE PROVISIONS

Sec. 301. Revision of tax rules on expatriation.

Sec. 302. Special enrollment option by employer health plans for members of uniformed services who lose health care coverage.

Sec. 303. Increase in minimum penalty on failure to file a return of tax.

TITLES I—TAX RELIEF AND PROTECTIONS FOR MILITARY PERSONNEL

SEC. 101. PERMANENT EXTENSION OF QUALIFIED MORTGAGE BOND PROGRAM RULES FOR VETERANS.

(a) IN GENERAL.—Section 149(d)(2)(D) (relating to exception) is amended by striking ‘‘in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2018’’ and inserting ‘‘in the case of bonds issued after December 31, 2007’’.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the Internal Revenue Code of 1986, as in effect on the date of the enactment of this Act.

SEC. 102. EXCLUSION OF CERTAIN AMOUNTS FROM INCOME FOR PURPOSES OF ELIGIBILITY FOR CERTAIN HOUSING PROVISIONS.

(a) IN GENERAL.—The last sentence of subsection (d) (relating to income of individuals; area median gross income) is amended to read ‘‘(including increases of determining income under this subparagraph, subsections (g) and (h) of section 7702 shall not apply and any payments to a member of the Armed Forces pursuant to title 32 of title 38, United States Code, as a basic pay allowance for housing, shall be disregarded.’’.

(b) EFFECTIVE DATE.—The amendments made by this section apply to—

(1) housing credit dollar amounts allocated after the date of the enactment of this Act, and

(2) buildings placed in service after such date to the extent paragraph (1) of section 42(h) of the Internal Revenue Code of 1986 does not apply to such building by reason of paragraph (4) thereof, but only with respect to bonds issued after such date.

SEC. 103. PERMANENT EXTENSION OF ELECTION TO TREAT COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) IN GENERAL.—Clause (vi) of section 32(c)(2)(B) (defining earned income) is amended to read as follows:

‘‘(vi) a taxpayer may elect to treat amounts excluded from gross income by reason of section 112 as earned income.’’

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after December 31, 2007.

SEC. 104. EXTENSION OF TIME TO FILE CLAIMS FOR REUNIONS RELATING TO DISABILITY DETERMINATIONS BY DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Subsection (d) of section 6511 (relating to special rules applicable to claims for credit or refund filed after the date of the enactment of this Act) shall be applied by substituting ‘‘the date of the enactment of the Defenders of Freedom Tax Relief Act of 2007’’ for ‘‘the date of such determination’’ in subparagraph (A) thereof.

(b) DEFINITIONS.—For purposes of this section—

(1) ELIGIBLE DIFFERENTIAL WAGE PAYMENTS.—The term ‘‘eligible differential wage payments’’ means, with respect to each qualified employee of the employer, the differential wage payments to employees on business days during such taxable year, any employer which provides eligible differential wage payments to employees on business days during such taxable year, and

(2) ELIGIBLE SMALL BUSINESS EMPLOYER.—

(‘‘A’’ IN GENERAL.—The term ‘‘eligible small business employer’’ means, with respect to any taxable year, any employer which—

(i) employed an average of less than 50 employees on business days during such taxable year, and

(ii) under a written plan of the employer, provides eligible differential wage payments to every qualified employee of the employer.

(B) CONTROLLED GROUPS.—For purposes of subparagraph (A), all persons treated as a single employer under section 301(c), (c), (m), or (o) of section 414 shall be treated as a single employer.

(c) COORDINATION WITH OTHER CREDITS.—The amount of credit otherwise allowable under this chapter with respect to compensations paid to any employee for employment rights of members of the reserve components of the armed forces of the United

December 12, 2007
(A) IN GENERAL.—For benefit accrual purposes, an employer sponsoring a retirement plan may treat an individual who dies or becomes disabled (as defined under the terms of the plan) while performing qualified military service with respect to the employer maintaining the plan as if the individual has remained employed in such capacity. The employer is treated as having maintained the plan as if it were treated as a qualified trust for purposes of this subsection if the plan or contract is operated as if the individual remained employed under such plan or contract. The term ‘qualified trust’ means any plan that, before the date of the enactment of this Act, was treated as a qualified trust under section 401(a)(40).

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to general business credit) is amended by striking ‘‘plu’’ at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting ‘‘, plus’’, and by adding at the end of following new paragraph:

‘‘(32) the differential wage payment credit determined under section 45O(a).’’

(c) FOR COMPENSATION TAKEN INTO ACCOUNT FOR CREDIT.—Section 280C(a) (relating to rule for employment credits) is amended by inserting ‘‘45O(a), after ‘‘45A(b),’’.

(d) CLERICAL AMENDMENT.—The table of sections for part D of part IV of subchapter A of chapter 1 is amended by adding at the end of the following new item:

‘‘Sec. 45O. Employer wage credit for employees who are active duty members of the uniformed services.’’

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after the date of the enactment of this Act.

SEC. 106. PERMANENT EXTENSION OF PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS BY INDIVIDUAL CALLED TO ACTIVE DUTY.

Clause (iv) of section 72(t)(2)(G) (relating to distributions from retirement plans to individuals called to active duty) is amended by striking all after ‘‘before’’ and inserting therefor:

‘‘September 11, 2001, and inserting a period.

SEC. 107. STATE PAYMENTS TO SERVICE MEMBERS TREATED AS QUALIFIED MILITARY BENEFITS.

(a) IN GENERAL.—Section 134(b) (defining qualified military benefit) is amended by adding at the end the following new paragraph:

‘‘(6) CREDITABLE SERVICE.-The term ‘qualified military benefit’ includes any bonus payment by a State or political subdivision thereof to any member or former member of the uniformed services of the United States or any dependent of such member for any period of service in an combat zone (as defined in section 112(c)(2)), determined without regard to the parenthetical benefit, and

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts made before, on, or after the date of the enactment of this Act.

SEC. 108. SURVIVOR AND DISABILITY PAYMENTS WITH RESPECT TO QUALIFIED MILITARY SERVICE.

(a) PLAN QUALIFICATION REQUIREMENT FOR DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—Subsection (a) of section 401 (relating to requirements for qualified plans) is amended by inserting after paragraph (36) the following new paragraph:

‘‘(37) DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—A trust shall not constitute a qualified trust unless the plan provides that, in the case of a participant who dies while performing qualified military service (as defined in section 414(u), the survivors of the participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service under subsection (a) of the plan had the participant resumed and then terminated employment on account of death.’’

(b) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE FOR BENEFIT ACCRUAL PURPOSES.—Subsection (u) of section 414 (relating to special rules relating to veterans’ reemployment rights under USERRA) is amended by redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively, and by inserting after paragraph (8) the following new paragraph:

‘‘(19) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE.

‘‘(A) IN GENERAL.—For benefit accrual purposes, an employer sponsoring a retirement plan may treat an individual who dies or becomes disabled (as defined under the terms of the plan) while performing qualified military service with respect to the employer maintaining the plan as if the individual has remained employed in such capacity. The employer is treated as having maintained the plan as if it were treated as a qualified trust for purposes of this subsection if the plan or contract is operated as if the individual remained employed under such plan or contract. The term ‘qualified trust’ means any plan that, before the date of the enactment of this Act, was treated as a qualified trust under section 401(a)(40).

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to general business credit) is amended by striking ‘‘plu’’ at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting ‘‘, plus’’, and by adding at the end of following new paragraph:

‘‘(32) the differential wage payment credit determined under section 45O(a).’’

(c) FOR COMPENSATION TAKEN INTO ACCOUNT FOR CREDIT.—Section 280C(a) (relating to rule for employment credits) is amended by inserting ‘‘45O(a), after ‘‘45A(b),’’.

(d) CLERICAL AMENDMENT.—The table of sections for part D of part IV of subchapter A of chapter 1 is amended by adding at the end of the following new item:

‘‘Sec. 45O. Employer wage credit for employees who are active duty members of the uniformed services.’’

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after the date of the enactment of this Act.

SEC. 109. TREATMENT OF DIFFERENTIAL MILITARY PAY AS WAGES.

(a) INCOME TAX WITHHOLDING ON DIFFERENTIAL WAGE PAYMENTS.

(1) IN GENERAL.—Section 3401 (relating to definitions) is amended by adding at the end the following new section:

‘‘(b) DIFFERENTIAL WAGE PAYMENTS TO ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.—In general.—For purposes of subsection (a), any differential wage payment shall be treated as a payment of wages by the employer to the employee.

(b) AMENDMENTS TO WHICH SUBPARAGRAPH (A) APPLIES.—Subparagraph (A) shall apply to any amendment to any plan or annuity contract which is—

(1) pursuant to the amendments made by subsection (a) or pursuant to any regulation issued by the Secretary of the Treasury under subsection (a), and

(2) on or before the last day of the first plan year beginning on or after January 1, 2009.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this clause shall be applied by substituting ‘‘2011’’ for ‘‘2009’’ in subclause (II).

(ii) CONDITIONS.—This paragraph shall not apply to any amendment unless the plan or contract is operated as if such plan or contract amendment were in effect for the period described in clause (iii), and

(ii) SUCH PLAN OR CONTRACT AMENDMENT APPLIES RETROACTIVELY FOR SUCH PERIOD.

(III) PERIOD-described.—The period described in this clause is the period—

(I) beginning on the effective date specified by the plan, and

(II) ending on the date described in clause (I)(i) (if earlier), the date the plan or contract amendment is adopted.

SEC. 110. TREATMENT OF DIFFERENTIAL MILITARY PAYMENTS.

(a) IN GENERAL.—Section 414(u) (relating to special rules relating to veterans’ reemployment rights under USERRA) is amended by redesignating paragraphs (11) and (12), respectively, and by inserting after paragraph (9) the following new paragraph:

‘‘(10) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS FOR RETIREMENT PLAN PURPOSES.—

(1) PENSION PLANS.—Section 414(u) (relating to special rules relating to veterans’ reemployment rights under USERRA), as amended by this Act, is amended by redesignating paragraphs (10) and (11) respectively, and by inserting after paragraph (9) the following new paragraph:

‘‘(A) IN GENERAL.—Except as provided in this paragraph, for purposes of applying this
title to a retirement plan to which this subsection applies—

“(1) an individual receiving a differential wage payment shall be treated as an employee or former employee of such plan or contract during the 6-month period described in paragraph (2)(B)(i), and

“(2) the differential wage payment shall be treated as compensation, and

“(3) the plan shall not be treated as failing to meet the requirements of any portion described in paragraph (1)(C) by reason of any contribution or benefit which is based on the differential wage payment.

SEC. 110. DISCLOSURE OF RETURN INFORMATION RELATING TO VETERANS PROVISION.

(a) IN GENERAL.—Subparagraph (D) of section 6103(f)(7) (relating to disclosure of return information to Federal, State, and local agencies administering certain programs under the Social Security Act, the Food Stamp Act of 1977, or title 38, United States Code or certain housing assistance programs) is amended by striking the last sentence.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for calendar years beginning after December 31, 2007.

SEC. 111. CONTRIBUTIONS OF MILITARY DEATH GRATUITIES TO ROTH IRAS AND EDUCATION SAVINGS ACCOUNTS.

(a) PROVISION IN EFFECT BEFORE PENSION PROTECTION ACT.—Subsection (e) of section 408A (relating to qualified rollover contributions), as in effect on August 31, 2005, is amended by inserting the following at the end of such subsection:

“(2) Ailight limit on number of rollovers not to apply.—Section 408A(d)(3)(B) shall not apply with respect to amounts treated as a rollover by the subsection (A).

(b) APPLICATION OF SECTION 72.—For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.

(c) EDUCATION SAVINGS ACCOUNTS.—Subsection (d) of section 530 is amended by adding at the end the following new paragraph:

“(9) MIlitary death gratuity.—

“(A) In General.—The term ‘rollover contribution’ includes a contribution to a Coverdell education savings account made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 1477 of title 10, United States Code, or section 1467 of title 38 of such Code, with respect to a person, to the extent that such contribution does not exceed

“(i) the sum of the amounts received during such period by such individual under such sections with respect to such person, reduced by

“(ii) the amounts so received which were contributed to a Roth IRA under section 530(d)(2) or to another Coverdell education savings account.

“(B) Annual limit on number of rollovers not to apply.—Section 408A(d)(3)(B) shall not apply with respect to amounts treated as a rollover by reason of subparagraph (A).

“(C) Application of section 72.—For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.

(d) EFFECTIVE DATES.

(1) IN GENERAL.—Except as provided by paragraphs (2) and (3), the amendments made by this section shall apply with respect to deaths from injuries occurring on or after the date of the enactment of this Act.
(2) APPLICATION OF AMENDMENTS TO DEATHS FROM INJURIES OCCURRING ON OR AFTER OCTOBER 7, 2001, AND BEFORE ENACTMENT.—The amendments made by this section shall apply to deaths from injuries occurring on or after October 7, 2001, and before the date of enactment of this Act, with respect to amounts received under section 1377 of title 10, United States Code, or under section 1967 of title 38, such individual shall be treated as if such individual had died on the date of enactment of this Act for purposes of this section.

(3) PENSION PROTECTION ACT CHANGES.—Section 6325 of title 26, Internal Revenue Code of 1986 (as in effect before the amendments made by subsection (b)) shall apply to taxable years beginning after December 31, 2007.

TITLE II—CERTAIN HOUSING BENEFITS FOR INTELLIGENCE COMMUNITY AND PEACE CORPS VOLUNTEERS

SEC. 201. PERMANENT EXCLUSION OF GAIN FROM SALE OF CERTAIN HOUSING BENEFITS.

(a) In General.—Section 121 of division A of the Tax Relief and Health Care Act of 2006 is amended by striking “or before January 1, 2011” and inserting “or before January 1, 2013.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

SEC. 202. SUSPENSION OF 5-YEAR PERIOD DURING SERVICE WITH THE PEACE CORPS.

(a) In General.—Subsection (a) of section 121 (relating to the special rules) is amended by adding at the end the following new paragraph:

“(2) PEACE CORPS.—(A) In general.—At the election of an individual with respect to a property, the running of the 5-year period described in subsections (a) and (c)(1)(B) and paragraph (7) of this subsection with respect to such property shall be suspended during any period that such individual or such individual’s spouse is serving in the Peace Corps or such individual is a Peace Corps volunteer or volunteer leader under section 5 or 6 (as the case may be) of the Peace Corps Act (22 U.S.C. 2504, 2505).

(B) APPLICABLE RULES.—For purposes of subparagraph (A), rules similar to the rules of subparagraphs (B) and (D) shall apply.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

TITLE III—REVENUE PROVISIONS

SEC. 301. REVISION OF TAX RULES ON EXPATRIATION.

(a) In General.—Subpart A of part II of chapter 1 is amended by inserting after section 877 the following new section:

“SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

(a) General Rules.—For purposes of this subchapter—

(1) MARK TO MARKET.—All property of a covered expatriate shall be treated as sold on the day before the expatriation date for its fair market value.

(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

(A) notwithstanding any other provision of this subchapter, gain arising from such sale shall be taken into account for the taxable year of the sale, and

(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under this paragraph, as determined without regard to paragraph (3).

(3) EXCLUSION FOR CERTAIN GAIN.—

(A) In general.—The amount which would (but for this paragraph) be includible in the gross income of any individual by reason of paragraph (1) shall be reduced (but not below zero) by—

(B) ADJUSTMENT FOR INFLATION.—

(1) In general.—In the case of any taxable year beginning in a calendar year after 2006, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

(D) such dollar amount, multiplied by

(E) the cost-of-living adjustment determined under section 159 for the calendar year in which the taxable year begins, by substituting ‘‘calendar year 2007’’ for ‘‘calendar year 1992’’ in subparagraph (B) thereof.

(i) ROUNDING.

(I) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property disposed of in a transaction in which gain is taken into account as a payment to a covered expatriate under the preceding sentence, an amount equal to the present value of any gain or loss subsequently realized for the taxable year in which such item was sold shall be treated as gained by the covered expatriate in a taxable year beginning after the date of the expatriation.

(ii) ADEQUATE SECURITY.—In the case of any deferred compensation item referred to in paragraph (1), if the taxpayer elects the application of this subsection with respect to any property disposed of in a transaction in which gain is taken into account as a payment to a covered expatriate under the preceding sentence, an amount equal to the present value of any gain or loss subsequently realized for the taxable year in which such item was sold shall be treated as gained by the covered expatriate in a taxable year beginning after the date of the expatriation.

(B) TERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraphs (1), (2), and (3) of section 1091, the amount of any gain or loss on the disposition of property disposed of in a transaction in which gain is taken into account as a payment to a covered expatriate, as determined under subparagraph (A), shall be taken into account under subsection (a) with respect to property disposed of in a transaction in which gain is taken into account as a payment to a covered expatriate with respect to any deferred compensation item referred to in paragraph (1), if the taxpayer corrects such failure within the time specified by the Secretary.

(C) SECURITY.—

(A) IN GENERAL.—No election may be made to defer gain on property unless adequate security is provided with respect to such property.

(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), with respect to any property, adequate security is provided—

(i) if it is a bond which is purchased, at the option of the covered expatriate, by the Secretary, or (ii) if it is a other form of security for such payment (including letters of credit) that meets such requirements as the Secretary may prescribe.

(D) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer makes an irrevocable waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

(4) INTEREST.—For purposes of section 6611, the last date for the payment of tax shall be determined without regard to the election under this subsection.

(5) EXCEPTION FOR CERTAIN PROPERTY.—Subsection (a) shall not apply to any deferred compensation item (as defined in subsection (d)(4)), (ii) any specified tax deferred account (as defined in subsection (e)(2)), and (iii) any right under any treaty of the United States in withholding on such item.
“(4) DEFERRED COMPENSATION ITEM.—For purposes of this subsection, the term ‘deferred compensation item’ means—

(A) any interest in a plan or arrangement described in subpart E of part I of subchapter J.

(B) any interest in a foreign pension plan or similar retirement arrangement or program.

(C) any item of deferred compensation, and

(D) any property, or right to property, which the individual is entitled to receive in connection with the performance of services to the extent not previously taken into account under section 83 or in accordance with section 1041(b)(4).

(5) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any deferred compensation item which is attributable to services performed outside the United States while the covered expatriate was not a citizen or resident of the United States.

(6) SPECIAL RULES.—

(A) APPLICATION OF WITHHOLDING RULES.—Rules similar to the rules of subsection B of chapter 3 shall apply for purposes of this subsection.

(B) APPLICATION OF TAX.—Any item subject to the withholding tax imposed under paragraph (1) shall be subject to tax under section 871.

(C) COORDINATION WITH OTHER WITHHOLDING REQUIREMENTS.—Any item subject to withholding under paragraph (1) shall not be subject to withholding under section 1441 or chapter 24.

(D) TREATMENT OF SPECIFIED TAX DEFERRED ACCOUNTS.—

(i) ACCOUNT CREDITED AS DISTRIBUTED.—In the case of any interest in a specified tax deferred account held by a covered expatriate on the day before the expatriation date, (A) the covered expatriate shall be treated as receiving a distribution of his entire interest in such account on the day before the expatriation date.

(ii) No early distribution tax shall apply by reason of such treatment, and

(C) appropriate adjustments shall be made to subsequent distributions from the account to reflect such treatment.

(2) SPECIFIED TAX DEFERRED ACCOUNT.—For purposes of paragraph (1), the term ‘specified tax deferred account’ means an individual retirement account (as defined in section 408, a qualified tuition program (as defined in section 529), an Archer MSA (as defined in section 529A), a Coverdell education savings account (as defined in section 530), a health savings account (as defined in section 223), and an Archer MSA (as defined in section 223).

(f) SPECIAL RULES FOR NONGRANTOR TRUSTS.—

(i) IN GENERAL.—In the case of a distribution (directly or indirectly) of any property from a nongrantor trust to a covered expatriate,

(A) the trustee shall deduct and withhold from such distribution an amount equal to 30 percent of the taxable portion of the distribution, and

(B) if the fair market value of such property exceeds its adjusted basis in the hands of the trust, gain shall be recognized to the trust as if such property were sold to the expatriate at such fair market value.

(ii) TAXABLE PORTION.—For purposes of this subsection, the term ‘taxable portion’ means, with respect to any distribution, the portion of the distribution which would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States.

(iii) NONGRANTOR TRUST.—For purposes of this subsection, the term ‘nongrantor trust’ means the portion of any trust that the individual is not considered the owner of under subsection E of part I of subchapter J. The determination under the preceding sentence shall be made immediately before the expatriation date.

(iii) SPECIAL RULES RELATING TO WITHHOLDING.—For purposes of this subsection—

(A) the rules of section 6421 shall apply, and

(B) the covered expatriate shall be treated as having waived any right to claim any refund or credits with the United States in withholding on any distribution to which paragraph (1) applies.

(iv) APPLICABILITY.—The rules of subsection (d)(6) shall apply to a nongrantor trust only if the covered expatriate was a beneficiary of the trust on the day before the expatriation date.

(g) DEFERRED AND SPECIAL RULES RELATING TO EXPATRIATION.—For purposes of this section—

(1) COVERED EXPATRIATE.—

(A) IN GENERAL.—The term ‘covered expatriate’ means an expatriate who meets the requirements of subparagraph (A), (B), or (C) of section 877(a)(2).

(B) EXCEPTIONS.—An individual shall not be treated as meeting the requirements of paragraph (1) if—

(i) the individual—

(1) became a resident of the United States and a citizen of another country, and, for purposes of this paragraph, continued to be a resident of, and is taxed as a resident of, such other country, and

(2) has been a resident of the United States for less than 10 tax years during the 15-taxable-year period ending on the taxable year during which the expatriation date occurs, or

(ii) the individual’s relinquishment of United States citizenship occurs before such individual attains age 18, and

(3) the individual has been a resident of the United States (as so defined) for not more than 10 years before the date of relinquishment.

(C) COVERED EXPATRIATES ALSO SUBJECT TO TAX AS CITIZENS OR RESIDENTS.—In the case of any covered expatriate who is subject to tax as a citizen or resident of the United States for any period beginning after the expatriation date, such individual shall not be treated as a covered expatriate during such tax years for purposes of subsections (d)(1) and (f) and section 2801.

(2) EXPATRIATE.—The term ‘expatriate’ means—

(A) any United States citizen who relinquishes his citizenship, and

(B) any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

(ii) EXPATRIATION DATE.—The term ‘expatriation date’ means—

(A) the date the individual relinquishes United States citizenship, or

(B) in the case of a long-term resident of the United States, the date on which the individual ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

(iii) RELINQUISHMENT OF CITIZENSHIP.—A citizen of the United States shall be treated as having relinquished his United States citizenship on the earlier of—

(A) the date the individual renounces his United States citizenship before a diplomatic or consular representative of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)), or

(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Naturalization Act (8 U.S.C. 1481(a)(5)).

(4) EASY DISTRIBUTION TAX.—The term ‘early distribution tax’ means any increase in tax imposed under section 72(t), 220(e)(4), 223(b)(4), 4975(e)(1)(B), 529(c)(1)(B), or 539(d)(4).

(5) OTHER RULES.—

(A) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

(i) any time period for acquiring property which would result in the reduction of gain recognized with respect to property disposed of by the taxpayer shall terminate on the day before the expatriation date, and

(ii) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

(6) COORDINATION WITH SECTION 684.—The expatriation of any individual would result in the recognition of gain under section 684, this section shall be applied after the application of section 684.

(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

(h) TAX ON GIFTS AND BEQUESTS RECEIVED FROM EXPATRIATES.—

(1) IN GENERAL.—Subtitle B (relating to estate and gift taxes) is amended by inserting after chapter 14 the following new chapter:

‘‘CHAPTER 15—GIFTS AND BEQUESTS FROM EXPATRIATES

‘‘Sec. 2801. Imposition of tax.

‘‘Sec. 2801. Imposition of tax.

(a) IN GENERAL.—If, during any calendar year, any United States citizen or resident receives any covered gift or bequest, there is hereby imposed a tax equal to the product of—

(1) the highest rate of tax specified in the table contained in section 2201(c) as in effect on the date of such receipt, and

(2) the value of such covered gift or bequest.

(b) TAX TO BE PAID BY RECIPIENT.—The tax imposed by subsection (a) on any covered gift or bequest shall be paid by the person receiving such gift or bequest.”
(c) Exception for Certain Gifts.—Subsection (a) shall apply only to the extent that the value of the covered gifts and bequests received by any person during the calendar year exceeds $10,000.

(d) Tax Reduced by Foreign Gift or Estate Tax.—The tax imposed by subsection (a) on any covered gift or bequest shall be reduced by any gift or estate tax paid to a foreign country with respect to such covered gift or bequest.

(e) Covered Gift or Bequest.—(1) For purposes of this chapter, the term ‘covered gift or bequest’ means—

(A) any property acquired by gift directly or indirectly by an individual who, at the time of such acquisition, is a covered expatriate, and

(B) any property acquired directly or indirectly by reason of the death of an individual, immediately before such death, was a covered expatriate.

(2) Exceptions for Transfers Otherwise Subject to Estate or Gift Tax.—Such term shall not include—

(A) any property shown on a timely filed return of tax imposed by chapter 12 which is a tax on the covered expatriate, and

(B) any property included in the gross estate of the covered expatriate for purposes of chapter 20 (as so defined) on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate.

(f) Transfers in Trust.—(A) Domestic Trusts.—In the case of a covered gift or bequest made to a domestic trust—

(i) subsection (a) shall apply in the same manner as if such trust were a United States citizen, and

(ii) the tax imposed by subsection (a) on such gift or bequest shall be paid by such trust.

(B) Foreign Trusts.—(i) In General.—In the case of a covered gift or bequest made to a foreign trust, subsection (a) shall apply to any distribution attributable to such gift or bequest from such trust (whether from income or corpus) to a United States citizen resident in the same manner as if such distribution were a covered gift or bequest.

(ii) Determination for Tax Paid by Recipient.—There shall be allowed as a deduction under section 164 the amount of tax imposed by this section which is paid or accrued by a United States citizen or resident by reason of the definition of ‘covered gift or bequest’ contained in this subsection.

(g) Transfers to Foreign Trusts.—(i) In General.—The transferor whose expatriation date (as so defined) is on or after the date of the enactment of this Act from United States citizenship is treated as relinquished under section 877(a)(1), and the transferor shall be treated as an alien (as defined in section 7701(a)(30) of the Internal Revenue Code of 1986, as added by this section) with respect to any property acquired by gift directly or indirectly by the transferor at any time after becoming an alien.

(ii) Reporting After Request.—If a transferor whose expatriation date is on or after the date of the enactment of this Act makes a request under section 877(a)(1) to the Secretary under this section, the Secretary shall (A) treat such transferor as having relinquished United States citizenship (as defined in section 7701(a)(30) of the Internal Revenue Code of 1986, as added by this section) on the date such request is received by the Secretary, and (B) consider such transferor to have relinquished United States citizenship if the Secretary determines that the transferor so intended.

(h) Special Enrollment Option by Employers.—(i) In General.—Section 9801(f) (relating to special enrollment periods) is amended by adding at the end the following new paragraph:

(4) The premium is paid by reason of service in the uniformed services (within the meaning of section 4303 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

(ii) Effective Date.—(A) In General.—This subsection takes effect—

(1) 1 year after the date of the enactment of this Act; and

(B) Treatment of Coverage.—Coverage under this subsection is treated as coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty, and the employee or dependent loses eligibility for such coverage.

(iii) Except as provided in this subsection, the amendments made by this section to section 877(a)(5) of the Internal Revenue Code of 1986, as added by this section, shall apply to returns of income for taxable years beginning after the date which is 2 years after the date of the enactment of this Act.

SEC. 202. SPECIAL ENROLLMENT OPTION BY EMPLOYER HEALTH PLANS FOR MEMBERS OF UNIFORMED SERVICES WHO LOSE HEALTH CARE COVERAGE.

(a) In General.—Section 9801(f) (relating to special enrollment periods) is amended by adding at the end the following new paragraph:

(4) The premium is paid by reason of service in the uniformed services (within the meaning of section 4303 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

(b) Effective Date.—Coverage under this subsection shall be effective on the first day of the first month after the date of the enactment of this Act.
The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be granted an extension of time to be in Executive session during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in order to consider the nominations of Harvey E. Johnson, Jr., to be Deputy Administrator, Federal Emergency Management Agency; U.S. Department of Homeland Security; and Jeffrey William Ruuge to be Assistant Secretary for Health Affairs and Chief Medical Officer, U.S. Department of Homeland Security.

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

S. 3848. Mr. HARKIN (for Mr. BAUCUS) proposed an amendment to the bill S. 3069, An Act to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes; as follows:

Amend the title so as to read: “An Act to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes; as follows:

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to advise that the oversight hearing scheduled before the Senate Committee on Energy and Natural Resources to receive testimony regarding Reform of the Mining Law of 1872, on Thursday, December 13, 2007, at 9:30 a.m., has been postponed. A rescheduled date and time will be announced when available.

For further information, please contact Patty Beneke at (202) 224-5451, Angela Becker-Dippman at (202) 224-5269, or Gina Weinstock at (202) 224-5684.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 11 a.m. in order to hold a closed briefing on North Korea.

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

PRIVILEGES OF THE FLOOR

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that a member of my staff, Dave Frederickson, who is my agriculture staff person from Minnesota and former head of the National Farmers Union, be granted floor privileges for the remainder of the farm bill debate.

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

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 96–114, as amended, appoints the following individual to the Congressional Award Board: Patrick Murphy of Washington, DC, and reappoints the following individual to the Congressional Award Board: Andrew Ortix of Arizona.

The Chair, on behalf of the majority leader, and after consultation with the ranking members of the Senate Committee on Armed Services and the Senate Committee on Finance, pursuant to Public Law 106–398, appoints the following individual as a member of the United States–China Economic Security Review Commission: Patrick A. Mulloy of Virginia for a term beginning January 1, 2008, and expiring December 31, 2009, vice C. Richard D’Amato of Maryland, and reappoints the following individual to the United States–China Economic Security Review Commission: William A. Reinsch of Maryland for a term beginning January 1, 2008, and expiring December 31, 2009.

CONGRATULATING BOYS TOWN ON ITS 90TH ANNIVERSARY CELEBRATION

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 403, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will read the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 403) congratulating Boys Town on its 90th anniversary celebration.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HARKIN. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed...
to, and the motions to reconsider be laid upon the table.

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

The resolution (S. Res. 403) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 403

Whereas on Wednesday, December 12, 2007, Boys Town celebrates the 90th anniversary of the date Father Flanagan founded Boys Town to serve hurting children and their families;

Whereas Father Flanagan’s legacy, Boys Town, is a beacon of hope to thousands of young people across the Nation;

Whereas in 2006 nearly 450,000 children and families found help through the Boys Town National Hotline, including 34,000 calls from youth where hotline staff intervened to save a life or provide therapeutic counseling, and nearly 1,000,000 more children were assisted through outreach and training programs;

Whereas Boys Town continues to find new ways to bring healing and hope to more children and families;

Whereas new programs at Boys Town seek to increase the number of children assisted and bring resources and expertise to bear on the problems facing our Nation’s children; and

Whereas Boys Town’s mission is to change the way America cares for children and families by providing and promoting a continuum of care that strengthens them in mind, body, and spirit.

Resolved, That the Senate—

(1) expresses its heartfelt congratulations to the Boys Town family on the historic occasion of its 90th anniversary; and

(2) extends its thanks to the extraordinary Boys Town community for its important work with our Nation’s children and families.

REFORMING MUTUAL AID AGREEMENTS FOR THE NATIONAL CAPITAL REGION

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 525, S. 1245.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1245) to reform mutual aid agreements for the National Capital Region.

There being no objection, the Senate proceeded to consider the bill.

Mr. HARKIN. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table with no intervening action or debate, and that any statements relating to the bill be printed in the Record.

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

The bill (S. 1245) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1245

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

SECTION 1. REFORM OF MUTUAL AID AGREEMENTS FOR THE NATIONAL CAPITAL REGION.

Section 7302 of the Intelligence Reform and Terrorism Prevention Act of 2004 (42 U.S.C. 5196 note) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “, including its agents or authorized volunteers,”; and

(B) in paragraph (5), by striking “or town” and all that follows and inserting “town,” other governmental agency, governmental authority, or governmental institution with the power to sue or be sued in its own name, within the region.”;

(2) in subsection (b)(1), in the matter preceding subparagraph (A), by striking “, the Washington Metropolitan Area Transit Authority, the Metropolitan Washington Airports Authority, and any other governmental agency or authority”; and

(3) in subsection (d), by striking “or employees” each place that term appears and inserting “, employees, or agents”.

FAIR TREATMENT FOR EXPERIENCED PILOTS ACT

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4343 which was received from the House.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4343) to amend title 49, United States Code, to modify age standards for pilots engaged in commercial aviation operations.

There being no objection, the Senate proceeded to consider the bill.

Mr. HARKIN. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table with no intervening action or debate, and that any statements relating to the bill be printed in the Record.

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

The bill (H.R. 4343) was ordered to a third reading, was read the third time, and passed.

SUDAN ACCOUNTABILITY AND DIVESTMENT ACT OF 2007

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 458, S. 2271.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2271) to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

(At the request of Mr. Reid, the following statement was ordered to be printed in the Record):

MR. DODD. Mr. President, I want to speak about the Sudan Accountability and Divestment Act of 2007. This bill was approved unanimously by the Senate Banking, Housing, and Urban Affairs Committee, and I am pleased to report that, in the same bipartisan spirit, it will soon be approved by the full Senate. I am indebted to Ranking Member Specter and to Senator Durbin for his tremendous collaboration on this measure. And I want to recognize Senator Durbin, as well—few have been stronger leaders of the divestment effort, or fiercer advocates for the people of Darfur.

This bill is aimed at ending the Darfur genocide. I strongly believe that it is our responsibility to help bring that end about—not simply because genocide, everywhere and always, imposes a grave moral obligation on those with the power to stop it, but because many of us share responsibility for this genocide in a much more concrete way. Consider this hypothetical: One of our 50 States invests its employees’ pension funds in a wide range of stocks.

Some of those doctors end up composing capital to a multinational corporation, one of whose subsidiaries operates in Sudan—mining, say, for copper or gold. That firm pays the Sudanese government for mining rights, and in the aftermath of time, money earned in America finds its way into the blood-stained coffers of Omar al-Bashir. What could those dollars become at last? A plane dropping fire on a Darfuri village; a knife held to a woman’s throat; weapons of murder.

It is a chain of cause and effect in which American money may finally objectively fund genocide—in which Americans may come to pay, through no fault or intention of their own, for crimes they abhor. If responsibility means anything, it exists at every step of that chain. To be sure, it grows heavier at each step; but just as it is certain at the last step, it is present at the first. That is why those who have recognized their place in that chain and who have resolved to break it deserve our blessing and our support. Twenty-one states have begun to divest from Sudan, and similar work is underway in about 20 more. At least 55 colleges and universities have divested, and efforts are underway at about 50 more. Many large cities, non-profits, and pension and mutual funds have joined this campaign—a campaign that recognizes that our responsibility continues to go beyond speaking out, to actively depriving the Sudanese government and the Janjaweed militia of some of their means of murder. Along with sanctions, Security Council resolutions, and a combined UN/African Union force, divestment is part of a global movement to cut off funding and end, at long last, the Darfur genocide. Even if it succeeds, it will have come more than $50,000 lives too late; but lost time and lost lives should only fire our urgency.

The Accountability and Divestment Act is Congress’s latest step to aid this global movement. It helps Americans
to divest from firms whose business prop up the Sudanese regime, it gives them the tools to make socially responsible investment decisions, and it ensures that investors who choose to divest will be held harmless for those decisions. The bill has five key provisions.

First, it explicitly authorizes states and localities to divest from companies involved in those economic sectors that, by its own admission, are Khartoum’s main sources of foreign investment—petroleum, mining, power production—along with military production. Investment in these sectors, more than any others, is propaing up the Bashir regime and enabling its intransigence.

The divestment standards set by this bill are universal. It allows divestment to take place in a unitary, federally sanctioned manner. That alone should contradict the claim that this bill somehow violates the Constitution’s Supremacy Clause by establishing “two different foreign policies.” Moreover, state divestment could hardly be considered unconstitutional when it is explicitly authorized on the federal level. Paul H. Schwartz, legal counsel to the Sudan Divestment Task Force, and former Chief Supreme Court Justice, made the case convincingly:

It is only logical that when a bill authorizing state measures touching on foreign affairs becomes federal law, the federal government has expressed a judgment that the measures do not “intrude” into or “interfere” with federal foreign policy, but rather complement that policy.

What is the difference? You have a sanctioned manner. That alone should contradict the claim that this bill somehow violates the Constitution’s Supremacy Clause by establishing “two different foreign policies.” Moreover, state divestment could hardly be considered unconstitutional when it is explicitly authorized on the federal level.

The current international divestment campaign exists precisely to pressure Khartoum to meet those goals. It is stunning, Mr. President, that pressure should even be needed to force a sovereign nation to end targeted attacks on civilians. Yet that is the case; that is the radical evil we face.

Even some in this administration are urging us to treat Khartoum with kid gloves at this delicate time for peace negotiations, as the Justice Department put it in a letter 2 months ago. That would be the same administration whose Special Envoy to Sudan declared American action on the genocide imminent 11 months ago. That would be the same administration whose president declared the crimes in Darfur “genocide” more than two years ago, and has done next to nothing of substance to justify their actions.

Ironically, one of those few substantive actions has been to endorse a bill that originated in the Senate, the International Emergency Economic Powers Enhancement Act, which strengthened penalties on companies violating U.S. sanctions. That bill was approved unanimously by the Senate Banking Committee and adopted unanimously by this Congress. That bill, like this one, targets the Khartoum regime’s financial support; that bill, like this one, comes at a “delicate time” for negotiations. As my colleague Senator MENENDEZ asked an official of the State Department at a recent hearing of the Senate Banking Committee:

What is the difference? You have a sanctions regime that you are all enthusiastic about pursuing before the peace conference in Tripoli, and yet you are back-peddaling on this effective tool.

Honestly, I can’t see my way through the contradiction. If the administration endorsed tough measures then, it should do the same now, and if it wants to shirk its responsibility altogether, it should tell us why.

Of course, as the Administration has stalled and insisted that we refrain from approving this critical legislation, talks have broken down. The truth is that the Administration has been heralding as a great breakthrough at the Banking Committee’s October 3rd hearing ended up being canceled.

The truth is that economic pressure has seemed to be the only tool that’s proven successful in bringing Khartoum back to the table in the first place. That truth is in keeping with everything the regime has shown us in its 18 years of existence. As John Prendergast, Co-Chair of the ENOUGH Project and former National Security Council and State Department Official, told the Banking Committee during our hearing.

In the mid-1990s, Khartoum renounced its support for international terrorist organizations, including al-Qaeda. Why? International pressure and multilateral sanctions from the United States, its allies, and the Security Council.

In the same decade, Sudan ended its support of the slave trade. Why? Again, multilateral sanctions led by the Security Council.

In 2005, the government signed a peace deal with rebels, ending a civil war that had taken 2 million lives. Why? Large part, because of coordinated divestment campaign and Congress’s passage of the Sudan Peace Act, which condemned the government’s human rights record. Just this year, the government acquiesced in the UN/AU peacekeeping force. Why? Largely because of economic pressure from China.

Four times, the international community has brought some measure of coherent—albeit timid—behavior, and there is one common thread: sustained pressure. As Prendergast put it, the only way to end the genocide is if “multilateral, targeted pressures are increased.” Conversely, “the deadly mistake that has been made for Darfur repeatedly during the last 4½ years is to do precisely as the administration proposes now to reduce pressure, to let up.”

After all, it makes perfect sense. What do we expect from those capable of presiding over all this blood? What do we expect from killers who, in the words of one survivor, “are happy when they rape they sing when they rape”? Do we expect them to listen politely to our objections? Do we expect to change their minds?

No. All of our prayers, no matter how fervent, and all of our words, no matter how eloquent, are only noise to them. They do not speak the language of the soul or ought. They speak the language of must. To the genocidal soldiers and their sponsors, this bill is one more word in the only language they know.
And given everything we have learned from history and from simple common sense, all the talk of kid gloves would be hysterical—if it weren’t infuriating.

Even if some in this administration haven’t learned the lesson I have learned—the lesson of history, and the lesson of their own family’s genes. In 1945, my father, Tom Dodd, was called to Nuremberg, Germany, to help lead the prosecution of Nazi war criminals. He wrote my mother that few things were more painful than being away from his family, and yet, he learned to walk and talk in his absence. But he also wrote home: “I will never do anything as worthwhile.”

What, today, could be more worthwhile? What could be clearer than the duty we owe to the 2.5 million displaced, the orphaned, the raped, the dead themselves? Even if they cannot fathom the chain linking us to the fire falling on their villages, or the knives against their throats, we can; we can see it and choose to break it. Even if we bear the smallest fraction of responsibility, we can choose to act as if we bore all of it. Measure by measure and step by step and inch by inch, we can choose to push with all our strength against death’s machinery until the cracks are seen.

Here is another step. I ask my colleagues to take it with me.

Mr. DURBIN. Mr. President, I have regularly come to the Senate floor to speak about the genocide in Darfur.

For years, the world has watched this tragedy the killing of hundreds of thousands of innocent civilians, the torching of entire villages, rape, torture, and untold human suffering.

More than 3 years have passed since the UN Commission of Inquiry concluded that:

Crimes against humanity and war crimes have been committed in Darfur and may be no lesser or anomalous than genocide.

Many of them on both sides of the aisle and in the international community have repeatedly called for greater U.S. and global action to stem the humanitarian crisis in Darfur.

President Bush, British Prime Minister Gordon Brown, and UN Secretary General Ban Ki-moon have all called for greater action.

Just this week, a group calling itself the Elders including several Nobel Peace Prize Winners and former heads of state spoke forcefully for action in Darfur.

Despite these efforts, the Sudanese government has continued to show its contempt for its own people and the demands of the global community.

The message was loud and clear earlier this year when the UN Security Council voted to deploy a 26,000 member peacekeeping force to Darfur. This hybrid UN-African Union force will help stem the violence and create an atmosphere in which peace talks can move forward. To be clear, I have long called for a long-term political agreement.

With the peacekeepers set to begin deployment on January 1, we are once again witnessing the same old pattern from Khartoum. The Sudanese government is now denying deployment of non-African peacekeepers, despite their acceptance of this new force only a few months ago.

We have waited long enough for this murderous government to take action, to stop slaughtering its own people, to stop lashing out at the international community.

That is why I am recommending the Senate for its action today to encourage cooperation by the Sudanese government.

Earlier this year, I introduced 2 bills that would have increased economic pressure on the Sudanese regime. Each bill supported state and local divestment efforts, allowing each of us to do our part to end the madness in Darfur by selling investments that help prop up the Sudanese regime.

I am pleased that Senator DODD, as chairman of the Binking Committee, has adopted ideas from these bills into the Sudan Accountability and Divestment Act of 2007. I thank him, as well as Banking Member SHELBY and others who have worked on this bill especially Senators CORNYN and BROWNBACK, who joined me as lead sponsors of the legislation I had introduced.

I urge my colleagues to support this critically-important legislation, and I look forward to working with the House to send it to the President for his signature as soon as possible.

Mr. REID. Mr. President, I am proud that the Senate will have taken strong action tonight to help stop the genocidal regime in Darfur. I would like to commend Senator DODD for his hard work to get the Sudan Accountability and Divestment Act of 2007 passed. I would also like to congratulate Senator DURBIN who was the lead cosponsor of the first legislation on this issue.

By passing this bill, the Senate is saying clearly to the government of Sudan that the American people do not want to fund genocide. We already have a wide range of sanctions against Sudan, but this bill closed an important loophole by targeting pension plans. The legislation would make sure that the money we put away each month for our retirement does not go to fund companies which support the genocidal regime in Sudan.

The House has already passed similar legislation with an overwhelming, and bipartisan, vote of 418–0. With Senate passage, we will hopefully be able to move quickly to turn this bill into the law of the land.

As we pass this legislation the crisis in Darfur continues, with nearly 2 million people displaced and an estimated 450,000 people killed. The real hope for the people of Darfur is a strong UN-AU peacekeeping force. But President Bashir is once again keeping that force from moving forward, putting a man indicted by the International Criminal Court for war crimes on the committee to manage the peacekeepers. He also continues to put other roadblocks in front of the peacekeepers, who should be in place and operating by January 1.

This legislation sends a loud and clear message to the Sudanese regime that they must stop standing in the way of full implementation of the AU-UN peacekeepers. I hope that President Bashir is listening and that we will see that AU-UN force operational by January 1 of next year. The U.S. Senate will be watching, the United Nations will be watching, and the eyes of the world are on President Bashir. We all have a moral obligation to end the genocide, stop the violence, and relieve the suffering of the people of Darfur.

Mr. HARKIN. I ask unanimous consent that the amendment at the desk be considered and agreed to; the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD.

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

The amendment (No. 3046) was agreed to, as follows:

On page 5, line 20, insert “parent company,” after “submit,”.

On page 7, strike lines 1 through 15.

On page 9, line 18, insert “or” after the semicolon.

On page 9, strike lines 19 through 21.

On page 9, line 22, strike “(G)” and insert “(F)”.

On page 10, between lines 8 and 9, insert the following:

(3) APPLICABILITY.—The measure shall not apply to a person that demonstrates to the State or local government that the person does not conduct or have direct investments in business operations described in subsection (d) (b) with respect to a person unless the State or local government has made every effort to avoid erroneously targeting the person and has verified that the person conducts or has direct investments in business operations described in subsection (d).

(4) SENSE OF CONGRESS ON AVOIDING ERRONEOUS TARGETING.—It is the sense of Congress that a State or local government should not adopt a measure under subsection (b) with respect to a person unless the State or local government has made every effort to avoid erroneously targeting the person and has verified that the person conducts or has direct investments in business operations described in subsection (d).

On page 16, strike lines 24 and 25, strike “(d)” and insert “(o)”.

On page 17, line 3, strike “(e)” and insert “(d)”.

On page 17, line 11, strike “(e)” and insert “(o)”.

The bill (S. 2271), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2271

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Sudan Accountability and Divestment Act of 2007”.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

(A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate;

(B) the Committee on Financial Services, the Committee on Foreign Affairs, and the
Permanently authorized to receive assistance under section
services, personal property, real property, or
quiring, developing, maintaining, owning, selling, possessing, leasing, or operating
to any form in Sudan, including by ac-
merce in any form in Sudan, including by ac-
ceeded on the Comprehensive Peace
agreed upon in the Comprehensive Peace
Party (formerly known as the National Is-
ary, silver, tungsten, uranium, and zinc.
ositions, mineral extraction activities,
mineral activities” means exploring, extract-
ing, processing, transporting, or wholesaling or trad-
ing of elemental minerals or associated metal al-
loys or oxides (ore), including gold, copper, chromium, chromite, diamonds, iron, iron
ore, silver, tungsten, uranium, and zinc.
(6) MILITARY EQUIPMENT.
(A) weapons, arms, military supplies, and equipment that readily may be used for milit-
ary purposes, including radar systems or military vehicles, and transport equipment;
(B) supplies or services sold or provided di-
rectly or indirectly to any force actively par-
ticipating in armed conflict in Sudan.
(7) MINERAL EXTRACTION ACTIVITIES.
The term “mineral extraction activities” means exploring, extracting, processing, trans-
porting, or wholesale selling or trading of ele-
mental minerals or associated metals, alloys or oxides, (ore), including gold, copper,
chromium, chromite, diamonds, iron, iron
ore, silver, tungsten, uranium, and zinc.
(8) MILITARY EQUIPMENT.
(A) IN GENERAL.—Except as provided in
subsection (B), the term “oil-related ac-
tivities” means
(i) exporting, extracting, producing, refining,
processing, exploring for, transporting, selling, or trading oil; and
(ii) constructing, maintaining, or operat-
ing a pipeline, refinery, or other oilfield
infrastructure.
(B) EXCLUSIONS.—A person shall not be
considered to be involved in an oil-related
activity if
(i) the person is involved in the retail sale of
gasoline or related consumer products in
Sudan but is not involved in any other ac-
tivity described in subparagraph (A); or
(ii) the person is involved in leasing, or
owns, rights to an oil block in Sudan but is
not involved in any other activity described
in subparagraph (A).
(9) SENSE OF CONGRESS.—It is the sense of
Congress that the United States Government
should support the decision of any State or
local government to divest from, or to pro-
hibit the investment of assets of the State or
local government in, a person that the State
or local government determines poses a fi-

The measure shall apply to a
person that demonstrates to the
State or local government that the
person does not conduct or have direct investments in busi-
ness operations described in subsection (d).
(3) APPLICABILITY.—The measure shall not
apply to a person that demonstrates to the
State or local government that the
person does not conduct or have direct investments in busi-
ness operations described in subsection (d).
(4) SENSE OF CONGRESS ON AVOIDING ERO-
HIOUS TARGETING.—It is the sense of
Congress that a State or local government
should adopt a measure under subsection
(b) with respect to a person unless the State or
local government has made every effort to
avoid erroneously targeting the person and
has verified that the person conducts or has
direct investments in business operations de-
scribed in subsection (d).
(f) DEFINITIONS.—In this section:
(1) INVESTMENT.—The “investment” of
assets, with respect to a State or local govern-
ment, includes
(A) a commitment or contribution of as-
es;
(B) a loan or other extension of credit of
assets; and
(C) the entry into or renewal of a contract
for goods or services.
(2) EXCEPTIONS.—(A) IN GENERAL.—Except as provided in
subsection (B), the term “assets” refers to
public monies and includes any pension, re-
tirement, annuity, or endowment fund, or
similar instrument, that is controlled by a
State or local government.
(B) EXCEPTION.—The term “assets” does not include employee benefit plans covered
by title I of the Employee Retirement In-
et seq.).
(g) NONPREEMPTION.—A measure of a State
or local government authorized under sub-
section (b) is not preempted by any Federal
law or regulation.
(h) EFFECTIVE DATE.—(1) IN GENERAL.—Except as provided in
paragraph (2), this section applies to mea-
sures adopted by a State or local government
before, on, or after the date of the enactment
of this Act.
(2) NOTICE REQUIREMENTS.—Subsections (c)
and (e) apply to measures adopted by a State
or local government on or after the date of
the enactment of this Act.
SEC. 2. AUTHORITY OF STATE AND LOCAL GOV-
ERNMENTS TO DIVEST FROM CERTAIN COMPANIES
DIRECTLY INVESTED IN CERTAIN SUDANESE SEC-
TORS.
(a) SENSE OF CONGRESS.—It is the sense of
Congress that the United States Government
should support the decision of any State or
local government to divest from, or to pro-
hibit the investment of assets of the State or
local government in, a person that the State
or local government determines poses a fi-

financial or reputational risk.
(b) AUTHORITY TO DIVEST.—Notwith-
standing any other provision of law, a State or
local government may adopt and enforce
measures that meet the requirements of sub-
section (e) to divest the assets of the State or
local government from, or prohibit invest-
ment of the assets of the State or local gov-
ernment in, persons that the State or local
government determines, using credible infor-
mation available to the public, are con-
ducting or have direct investments in busi-
ness operations described in subsection (d).
(c) NOTICE OF ACTION.—Not later than 30 days after adopting a meas-
ure pursuant to subsection (b), a State or
local government shall submit written not-
ice to the Attorney General describing the
measure.
(d) BUSINESS OPERATIONS DESCRIBED.—
(1) IN GENERAL.—Business operations de-
scribed in this subsection are business oper-
ations in Sudan that include power produc-
tion activities, mineral extraction activities,
ii-related activities, or the production of
military equipment.
(2) EXCEPTIONS.—Business operations de-
scribed in this subsection do not include
business operations that the person con-
ducting the business operations can demon-
strate
(A) are conducted under contract directly
and exclusively with the regional govern-
ment of southern Sudan;
(B) are conducted under a license from the
Office of Foreign Assets Control, or are ex-
pressly exempted under Federal law from the
requirement to be conducted under such a li-
cense;
(C) consist of providing goods or services
to marginalized populations of Sudan;
(D) are conducted by persons or entities
that are controlled by a State or local govern-
ment completely divested of their military
functions; and
(E) consist of providing goods or services that
are used only to promote health or edu-
cation; or
(F) have been voluntarily suspended.
(g) NONPREEMPTION.—A measure of a State
or local government under subsection (b) shall meet the following require-
ments:
(1) NOTICE.—The State or local government
shall provide written notice and an oppor-
tunity to comment in writing to each person
whom a measure is to be applied.
(2) NOTICE REQUIREMENTS.—The measure shall apply to a
person not earlier than the date that is 90
days after the date on which written notice
is provided to the person under paragraph
(1).
(3) APPLICABILITY.—The measure shall not
apply to a person that demonstrates to the
State or local government that the person
does not conduct or have direct investments in business operations described in subsection (d).
(1) SENSE OF CONGRESS ON AVOIDING ERO-
HIOUS TARGETING.—It is the sense of
Congress that a State or local government
should adopt a measure under subsection
(b) with respect to a person unless the State or
local government has made every effort to
avoid erroneously targeting the person and
has verified that the person conducts or has
direct investments in business operations de-
scribed in subsection (d).
(f) DEFINITIONS.—In this section:
(1) INVESTMENT.—The “investment” of
assets, with respect to a State or local govern-
ment, includes
(A) a commitment or contribution of as-
es;
(B) a loan or other extension of credit of
assets; and
(C) the entry into or renewal of a contract
for goods or services.
(2) EXCEPTIONS.—(A) IN GENERAL.—Except as provided in
subsection (B), the term “assets” refers to
public monies and includes any pension, re-
tirement, annuity, or endowment fund, or
similar instrument, that is controlled by a
State or local government.
(B) EXCEPTION.—The term “assets” does not include employee benefit plans covered
by title I of the Employee Retirement In-
et seq.).
(g) NONPREEMPTION.—A measure of a State
or local government authorized under sub-
section (b) is not preempted by any Federal
law or regulation.
(h) EFFECTIVE DATE.—(1) IN GENERAL.—Except as provided in
paragraph (2), this section applies to mea-
sures adopted by a State or local government
before, on, or after the date of the enactment
of this Act.
(2) NOTICE REQUIREMENTS.—Subsections (c)
and (e) apply to measures adopted by a State
or local government on or after the date of
the enactment of this Act.
SEC. 4. SAFE HARBOR FOR CHANGES OF INVEST-
MENT POLICIES BY ASSET MAN-
AGERS.
(a) IN GENERAL.—Section 13 of the Invest-
ment Act of 1940 (15 U.S.C. 80a-13) is ame-
d by adding at the end the fol-
loving:
(c) LIMITATION ON ACTIONS.—In gen-
eral, notwithstanding any other provision of Federal or State law, no
person may bring any civil, criminal, or ad-
ministrative action against any registered invest-
ment company, any employee, offi-
cier, director, or investment adviser thereof,
based solely upon the investment company
divesting from, or avoiding investing in, se-
curities issued by persons or entities de-
scribed in this section, unless a State or local
investment company determines, using credible in-
formation that is available to the public,


It is the sense of Congress that the fiduciary of an employee benefit plan, as defined in section 3(32) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(32)), may divest plan assets from, or avoid investing plan assets in, any person the fiduciary determines certifies in writing to the appropriate congressional committees that it is in the national interest to do so.

SEC. 5. SENSE OF CONGRESS REGARDING CERTAIN ERISA PLAN INVESTMENTS.

It is the sense of Congress that a fiduciary of an employee benefit plan, as defined in section 3(32) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(32)), may divest plan assets from, or avoid investing plan assets in, any person the fiduciary determines certifies in writing to the appropriate congressional committees that it is in the national interest to do so.

SEC. 6. PROHIBITION ON UNITED STATES GOVERNMENT CONTRACTS.

(a) Certification Requirement.—The head of each executive agency shall ensure that each contract entered into by such executive agency for the procurement of goods or services includes a clause that requires the contractor to certify to the contracting officer that the contractor does not conduct business operations in Sudan described in section 3(d), if:

(1) the fiduciary makes such determination using the information that is available to the public; and

(2) such divestiture or avoidance of investment is conducted in accordance with the Report of the Office of Management and Budget and the appropriate congressional committees on the actions taken under this section.

SEC. 7. SENSE OF CONGRESS ON EFFORTS BY OTHER COUNTRIES TO END GENOCIDE IN DARFUR.

It is the sense of Congress that the governments of all other countries should adopt measures, similar to those contained in this Act, to publicize the activities of all persons that, through their financial dealings, knowingly or unknowingly enable the Government of Sudan to continue to oppress and commit genocide against people in the region of Darfur.

SEC. 8. SENSE OF CONGRESS ON PEACEKEEPING EFFORTS IN SUDAN.

It is the sense of Congress that Congress should—

(1) continue to work with other members of the international community, including the Permanent Members of the United Nations Security Council, the African Union, the European Union, the Arab League, and the Government of Sudan to facilitate the urgent deployment of a peacekeeping force to Sudan; and

(2) urge the United Nations Security Council, and call for a vote on, a resolution requiring meaningful unilateral sanctions against the Government of Sudan in response to its acts of genocide against the people of Darfur and its continued refusal to allow the implementation of a peacekeeping force.
The legislative clerk read as follows:

A bill (H.R. 3997) to amend the Internal Revenue Code of 1986 to provide earnings assistance and tax relief to members of the uniformed services, volunteer firefighters, and Peace Corps volunteers, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. HARKIN. Mr. President, I ask unanimous consent that the amendments at the desk be considered and agreed to; the bill, as amended, be read the third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating thereto be printed in the RECORD, without intervening action or debate.

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

The amendment (No. 3847) was agreed to.

(The amendment is printed in today’s RECORD under “Text of Amendments.”)

The amendment (No. 3848) was agreed to, as follows:

Amend the title so as to read: “An Act to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes.”

The bill (H.R. 3997), as amended, was ordered to a third reading, was read the third time and passed.

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

UNANIMOUS CONSENT AGREEMENT—H.R. 3997

Mr. HARKIN. Mr. President, I ask unanimous consent that if the Senate receives from the House a message on H.R. 3997 with an amendment that is not germane to the Senate amendment with the underlying bill, that the bill and its amendments be referred to the Finance Committee.

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

MEASURE READ THE FIRST TIME—S. 2461

Mr. HARKIN. Mr. President, I understand there is a bill at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the title of the bill for the first time.

The legislative clerk read as follows:

A bill (S. 2461) to authorize the transfer of certain earmarked funds to accounts for operations and activities in Iraq and Afghanistan.

Mr. HARKIN. Mr. President, I now ask for a second reading, and in order to place the bill on the calendar under the provisions of rule XIV, I object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will receive its second reading on the next legislative day.

ORDERS FOR THURSDAY, DECEMBER 13, 2007

Mr. HARKIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 8:30 a.m., Thursday, December 13; that on Thursday, following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders reserved for their use later in the day, and the Senate then resume consideration of H.R. 2419, with the time until 9:15 a.m. equally divided and controlled between the leaders or their designees for debate only; that at 9:15 a.m., the Senate vote in relation to the Dorgan amendment No. 3695, as modified, as provided for under a previous order; that upon disposition of the Dorgan amendment, there be 2 minutes of debate prior to a cloture vote on the motion to concur with respect to H.R. 6.

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

ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. HARKIN. Mr. President, if there is no further business today, I now ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 9:39 p.m., adjourned until Thursday, December 13, 2007, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

MARCIA STEPHENS BLOOMBERG, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELORS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SENEGAL, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA-BISSAU.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

ROBERT F. COHEN, JR., OF WEST VIRGINIA, TO BE A MEMBER OF THE FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM OF SIX YEARS EXPIRING AUGUST 30, 2012; VICE STANLEY C. SUBOGHRO, TERM EXPIRED.

DEPARTMENT OF HOMELAND SECURITY

HARVEY E. JOHNSON, JR., OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR AND CHIEF OPERATING OFFICER, FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY. (NEW POSITION)

WITHDRAWAL

Executive Message transmitted by the President to the Senate on December 12, 2007 withdrawing from further Senate consideration the following nomination:

INTRODUCTION OF BISHOP EARL J. WRIGHT, SR., GUEST CHAPLAIN FOR THE DAY

HON. JOHN CONYERS, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. CONYERS. Madam Speaker, it is with great pleasure that I introduce Bishop Earl J. Wright, Sr., as the Guest Chaplain for the day. Bishop Wright is a member of the general board, the governing body of the Church of God in Christ, which he helped to create. He also serves as the jurisdictional bishop of the Second Ecclesiastical Jurisdiction of Southwest Michigan—Church of God in Christ, a district comprised of 19 churches. In addition, he is the pastor of Greater Miller Memorial Church of God in Christ located in Warren, MI, and also the pastor of Davis Memorial Church of God in Christ located in Grand Rapids.

Bishop Wright also is a founding and supporting pastor of Miller Memorial Church of God in Christ #2 in Haiti.

Other accolades for Bishop Wright include being appointed the prayer leader for the Detroit National Day of Prayer in 1992. He was acknowledged for his ministries, church and community leadership roles in the internationally publication Upscale Magazine as 1 of 50 Most Influential Leaders in the United States in the same year. In 1996, the Christian Women Concerned Organization of Detroit selected Bishop Wright as the “COGIC Pastor of the Year.”

Bishop Wright is married to the lovely and gracious Dr. (Evangelist) Robin L. Wright, supervisor of Japan Jurisdiction—C.O.G.I.C. In addition to being an evangelist, she is also a writer, and a great administrative help to the local churches in Detroit and Southwest Michigan. Together they have five children: Earl, Jr., wife—Elaine; Michael, wife—Robin; Marvyn; Ben; and Jonathan. He truly acknowledges his family as his first ministry.

The Church of God in Christ is a Church of the Lord Jesus Christ in which the word of God is preached, ordinances are administered and the doctrine of sanctification or holiness is emphasized, as being essential to the salvation of mankind. Elder Charles Harrison Mason is the founder and organizer of the Church of God in Christ, and under Bishop Mason’s spiritual and apostolic direction, the Church of God in Christ, the church has grown from 10 congregations in 1907, to the largest Pentecostal group in America.

This year the Church of God in Christ celebrated its 100th Annual Holy Convocation; its theme was Celebrating a Glorious Past: Embracing a Promising Future, and it was attended by over 70,000 delegates. In remarking about the convocation, COGIC’s Presiding Bishop Charles E. Blake, Sr., said, “In the last century the Church of God in Christ rose from a motley group of sanctified proselytes to a highly respected denomination with more than 6 million members in 64 countries. The Lord has used the Church of God in Christ to accomplish great things in worship, proclamation, urban renewal, and gospel music.” The Church is also very active in promoting a social justice agenda that reverses the circumstances of black men, families, and urban communities as well as providing comprehensive programs for youth and young adults.

Bishop Wright has shown himself as a true disciple of Christ, relying heavily on his favorite scripture, Romans 4:21, “And being fully persuaded that what he had promised, he was able also to perform.” He exemplifies service to his fellow man, allowing his words to always bring grace to the hearer. He constantly speaks words of hope, spreading the good news to all. He practices evangelism that reflects Christ-like compassion to reach the world with the Gospel. Bishop Earl E. Wright, Sr., is a wonderful man of God and I am happy to know him and to welcome him to the floor of the House of Representatives today as Guest Chaplain.

HONORING RETIRING BUFFALO COMMON COUNCIL MAJORITY LEADER DOMINIC BONIFACIO

HON. BRIAN HIGGINS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. HIGGINS. Madam Speaker, I rise today to honor perhaps the proudest member of the Buffalo Common Council, a great civic leader and conscience of the Common Council—its retiring majority leader, Dominic Bonifacio.

As a former member of the Buffalo Common Council myself—and as the son of another former member—I have a warm place in my heart for its membership. Few people in my memory have demonstrated more on an appreciation for the office he holds—and the responsibility that office confers—than Nick Bonifacio.

Nick’s service as a member of the Common Council and as its majority leader has seen more than its share of successes. Owing in great measure to his successful stewardship of the Council’s Finance Committee, the city is in stronger financial shape than it was when Nick first took office. Also poised for greater things is the Niagara District that Nick served so ably—as a part of the city probably best prepared for a renaissance in the months and years to come.

Nick Bonifacio is among the most effective and committed Common Councilmembers I have known during my career in public service. I am proud, Madam Speaker, that you have afforded me this opportunity to honor Nick’s service, and I know that you join me in wishing the best of luck and Godspeed to Nick in all of his future endeavors.
exquisitely restored. In the mid-seventies he produced his first wines, including award-winning Petite Syrah, Johanneburg Resling, and Zinfandel.

Hop Klin Winery became a Sonoma County landmark, and Marty soon became a Sonoma County force to be reckoned with. He saw that local gravel mining operations were destroying the banks and bed of the Russian River, filling its aquifer, lowering water tables, blocking off tributary mouths, and endangering salmon migration. Marty then began a long struggle against river gravel mining that goes on today.

Also in the Sixties, Marty became the public health advocate at Sonoma State Hospital and Developmental Center, where with his usual tenaciously and energy, he rooted out corruption, and founded a model program to fight hepatitis. In 1999, Marty was honored with a Public Health Hero Award from the University of California, Berkeley.

Today Marty Griffin lives with his wife, Joyce, in Belvedere in Marin County not far from where his environmental battles began. In his eighties, he remains active and abreast of environmental issues. His work goes on through several organizations he founded including the Marin County Environmental Forum, the Sonoma County Environmental Forum, and Russian Riverkeeper (founded as Friends of the Russian River). His book, “Saving the Marin and Sonoma Coast: the Battles for Audubon Canyon Ranch, Point Reyes and California’s Russian River” is an engaging story of the ongoing battles and larger life personalities involved in preserving nature’s treasures on the edge of the Bay Area’s teaming cities.

Madam Speaker, it is a book as well worth reading as Dr. Griffin’s life is well worth emulating.

IN MEMORY OF JOHN DENVER

HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 12, 2007

Mr. KUCINICH. Madam Speaker, the year 2007 marks the 10th anniversary of singer, musician, actor, composer, humanitarian and global citizen John Denver’s passing from this planet that he worked so lovingly to protect. A man who reached out consistently to help those in need; the planet, its creatures, its waters, its wildemesses and its people, John ceaselessly gave of himself in an effort to lift all life to its finest and highest potential.

While his awards, recognitions and achievements are many, it may be more appropriate to remember him as a unique human being who was able to touch the hearts and souls of people all over the planet. The over 300 songs that he recorded during his lifetime expressed the longings of the human family for compassion, unity and peace. His vision for all life can be best expressed in the lines from one of his songs:

"We are standing all together, face to face and arm in arm; we are standing on a threshold we don't know, No more hunger, no more killing, no more wasting life away; it is simply an idea, and I know its time has come."
HONORING RETIRING ERIE COUNTY LEGISLATOR DR. BARRY WEINSTEIN  

HON. BRIAN HIGGINS  
OF NEW YORK  
IN THE HOUSE OF REPRESENTATIVES  

Wednesday, December 12, 2007  

Mr. HIGGINS. Madam Speaker, I rise today to honor the long service of Dr. Barry A. Weinstein, a dedicated public official representing the town of Amherst as a member of the Erie County Legislature whose service to that body—but not to our community—will conclude on December 31, 2007.

Dr. Weinstein was elected to the Legislature in November of 2007, and his impact upon the Legislature was nearly immediate. A former in November of 2007, and his impact upon the Legislature whose service to his constituents was vast indeed. His election last month to a four-year term as a member of the North Bay Labor Federation and almost 10 years with the North Bay Labor Federation, including more than 25 years with the National Association of Letter Carriers, NALC, and almost 10 years with the North Bay Labor Council. Since his initial election, Dr. Weinstein has demonstrated a calm, caring and respectful approach to addressing the issues facing members of the National Association of Letter Carriers and of the labor council.

Weinstein didn’t set out to be a labor leader. In fact, he was attending San Francisco State University for a master’s degree in English when his life changed. As his wife, Kathy Farrelly, remembers it, he was studying in the library in the fall of 1969 when there seemed to be some sort of commotion outside. People raced out of the building, so Alex went to the terrace to take a look. What he saw was the school quad filled with police toting bullhorns and billy sticks to break up a student demonstration. A command squad rushed up the stairs, Kathy continues, stating simply, “He got hit over the head with a baton.”

There he was, an innocent bystander, unconscious, his head bleeding onto the cement, and a cop looming over him with a club in his raised hand. It was a perfect picture of the times, and a person who happened to be there snapped it for the cover of Rolling Stone and for Newsweek magazine.

“I think that’s what launched him into social advocacy,” Kathy says. “It was a colossal injustice.”

From that decision evolved a life devoted to advocating for free speech and human rights. Alex gave up the idea of teaching Victorian literature and instead, because he needed to make a living, became a letter carter. “He happily joined the union and became active,” Kathy notes. And from that decision came his involvement in labor issues. Soon thereafter, in 1980, he became president of the local branch. He has been re-elected every two years since.

As always, Kathy says, his motivating force has been a search for justice.

“There are so many crises we have handled,” explains Jerry Andersen, vice president of Branch 183 of the NALC. “He just doesn’t lose his cool.”

At the same time, Alex works to protect people’s rights. He quietly uses the power he has to help people, Andersen adds. “A lot of management in the postal service have learned from him.”

Alex is one of those people who makes a difference quietly. He doesn’t seek glory for himself, but gets satisfaction from doing a good job. In fact, he becomes embarrassed by pomp and circumstance, Andersen notes. Fortunately for Alex, he doesn’t need ceremonies to recognize his authority. He has the respect of those he works with and those who work for him.

Kathy, who is retiring as well from her long career as counselor to Sonoma County, says she doubts either one of them will sit back and watch the world go by. Alex will keep on with the letter carriers union for a while, she expects, and with his efforts to make labor unions more a part of an overall progressive movement that includes the environment and affordable housing.

And of course, as an avid cyclist, he will spend more time enjoying the stunning bike trails of northern California.

But the impact of his life protecting workers’ rights will live on in Sonoma County. So, too, will the philosophy he and his wife share and live—that no one can afford to ignore justice that goes awry.

Madam Speaker, Alex Mallonee’s advocacy for just causes has meant a lot to me over the years. Because of this and especially because of his life and legacy to the people of Sonoma County, I am proud to honor him on his retirement.

TRADE ADJUSTMENT ASSISTANCE PROGRAM EXTENSION  

SPEECH OF  
HON. DENNIS J. KUCINICH  
OF OHIO  
IN THE HOUSE OF REPRESENTATIVES  

Tuesday, December 11, 2007  

Mr. KUCINICH. Mr. Speaker, with the loss of approximately three million manufacturing jobs in the United States since 2001, many families know the effects of increased foreign imports and the outsourcing of their jobs all too well. HCTC was created to ensure that our constituents who lost these good manufacturing jobs would still be able to afford health insurance for themselves and their families. It is unjust for our constituents who have lost these jobs to additionally endure lost or inadequate health insurance because it is unaffordable.

Unfortunately the spouse of the wage earner will suffer the devastating loss of this needed financial assistance to obtain health care coverage when the qualifying wage earner becomes Medicare eligible. The current eligibility requirements for the HCTC program leave a Medicare ineligible spouse without continued assistance under the HCTC, which in far too many cases means being left entirely without health care insurance.

I am pleased that language was included in H.R. 3920, the Trade and Globalization Act of 2007, a bill to reauthorize the Trade Adjustment Assistance Act of 1962. The Act protects the loophole and ensures that spouses and widows will remain eligible for the HCTC. The House of Representatives passed H.R. 3920 on October 31, 2007; however, this bill has not yet become public law. Consequently, today the House will consider an extension of the Trade Adjustment Assistance Act through March 31, 2007.

As our constituents wait for H.R. 3920 to become law, there are still those who are losing their eligibility for the HCTC and in danger of losing health care coverage for their spouses. As more wage earners approach Medicare eligibility, they fear for the well-being of their spouses and incur mounting stress and anxiety. Passage of this legislation is urgently needed to put an end to these hardships. An extension of the current Trade Adjustment Assistance Act will not ensure that our deserving constituents remain eligible for the HCTC. I urge this body to make certain that the reauthorization of Trade Adjustment Assistance is passed into public law in the urgent manner necessary to protect hard-working Americans.
Mr. CUMMINGS. Mr. Speaker, I rise today in strong support of H. Res. 853, authored by Speaker of the House NANCY PELOSI to honor those who volunteered to help clean up the thousands of gallons of oil spilled from the COSCO BUSAN after it collided with the San Francisco-Oakland Bay Bridge on November 7, 2007.

As Chairman of the Subcommittee on Coast Guard and Maritime Transportation, I chaired a special hearing of the Subcommittee in San Francisco to take a comprehensive look at the circumstances surrounding that terrible oil spill.

I know that San Francisco Bay is as near to the hearts of local residents as the Chesapeake Bay is to Maryland residents, and I know that it was a love for the Bay, its wildlife, and its sensitive environmental areas that motivated local residents to volunteer to join the effort to protect these resources from the 58,000 gallons of oil headed toward them.

Unfortunately, a number of the organizational difficulties that plagued the initial response to this spill appear to have also affected the deployment of volunteers in the area.

We await the results of a number of ongoing investigations of this oil spill—including studies being conducted by the Coast Guard itself, the National Transportation Safety Board, and, at the request of the Speaker and myself, the Inspector General of the Department of Homeland Security.

As results become available, we are committed to making whatever changes are needed to ensure that the lessons learned from this tragedy inform preparations for the next oil spill—which we know will come.

Mr. Speaker, I urge adoption of H. Res. 853 and I again commend Speaker PELOSI, Congresswoman TAUSCHER, and the entire Bay Area Delegation for their leadership on this issue.

I commend the many organizations and individuals throughout the San Francisco Bay region who volunteered to respond to this spill.

PAYING TRIBUTE TO A GREAT AMERICAN, DAZIVEDO WATSON

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. RANGEL. Madam Speaker, I rise today in celebration of the 80 years Dazivedo Watson graced us with his winning charm, political acumen, pioneering spirit, and love. His contributions to the African and Caribbean American community are bountiful; his contributions to his country: limitless. He remains, foremost in my mind, a humble public servant, a dedicated family man, and my good, good buddy.

It is in this regard that I introduce the following laudatory letter, which best captures the litany of honors to his name and the essence of his brilliant character.

Mr. EREHOL WATSON, c/o Crown of Life Love Ministry, 222 West 145th Street, New York, NY.

DEAR EREHOL AND FAMILY MEMBERS: I was deeply heartbroken with the passing of your dear father, grandfather, uncle and my buddy, Dazivedo Watson. Just a few months ago, we celebrated Dazivedo’s 80th Birthday, and now we are bidding good-bye to a great friend, devoted family man, ally, and one of Harlem’s most distinguished political strategist, novice, and loyal Democrat. Daz, as he was known to all of us, was on the forefront of every political battle, whether as a supporter or adversary, he dedicated his life to winning, and never losing. In every campaign, Daz gave his all.

Dazivedo will be remembered, not only as an institution, but also as Harlem’s gift to the political process. As a political advisor, confidante, and staffer to the late great Harlem Councilman, Frederick E. Samuel, Daz helped to influence African and Caribbean Americans to empower themselves, their neighborhood, and their community. That empowerment led to the election of the first African American Mayor, David N. Dinkins, the first African American State Comptroller, H. Carl McCall, the first African American Lieutenant Governor, David A. Paterson, and the first African American Chairman of the powerful House Committee Ways and Means, Charles B. Rangel. We are all in his debt.

Let me also extend my sympathies to the Frederick E. Samuel Community Democratic Club family, and its illustrious leadership, the Honorable C. Virginia Fields, the Honorable Keith L.T. Wright and the Honorable Wilma Brown. Let our work on behalf of the community reflect the legacy of our beloved Dazivedo Watson.

Your family and our community have endured a great loss with the passing of Dazivedo. My political family, and my office and I will support you during this time of mourning and grieving. Let us celebrate his life and keep his memory forever in our thoughts and prayers.

Sincerely,

CHARLES B. RANGEL,
Chairman, Committee on Ways and Means.

TRIBUTE TO DR. RUSSELL ARTHUR MATTHES

HON. RON PAUL
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PAUL. Madam Speaker, the residents of Bay City, Texas, lost a true friend when Dr. Russell Arthur Matthes passed away on November 27. A native of Bay City, Russell Matthes volunteered for the Naval Air Corps in 1942. Dr. Matthes served as a turret gunner on a flying gunship, participating in the Saipan, Tinian, Okinawa, and Philippines campaigns. These were among the most decisive battles in the closing chapters of World War II. When Japan surrendered, Dr. Matthes’s squadron was transferred to the USS Cumberland Sound and sent to Japan. His plane’s crew flew across Japan, taking aerial photographs for intelligence purposes and also looking for prison camps. A camp at Kobe was found and the crew dropped all the canned food from the plane.

Following the war, Russell Matthes completed his education at Baylor University and Baylor Dental School, where he trained as an orthodontist. He then returned to Bay City to practice orthodontics. Dr. Matthes and his wife, Junia LeTulle Matthes, raised two daughters and a son.

In addition to serving the people of his community with his medical practice, Dr. Matthes was active in numerous civic and community groups. In order to maintain his links with his fellow veterans, Dr. Matthes was a lifetime member of Veterans of Foreign Wars Post 2438. He was also a member of the Masonic Lodge, the Eastern Star Jesters, the Shiners, and the Medical Benevolence Foundation.

Dr. Matthes was particularly interested in helping the youth of his community. Thus, in addition to all his other civic activities and his full-time medical practice, Dr. Matthes was very active with the Boy Scouts. Through his activities with the scouts, as well as his other civic work, he helped improve the lives of thousands of young Texans.

Residents of Bay City were not the only ones who benefited from Dr. Matthes’ commitment to service. As a member of the Episcopal Church, Dr. Matthes preformed church missionary work in around the world.

Madam Speaker, Dr. Matthes devoted to his community and his fellow human beings set an example we all should follow. I extend my deepest condolences to Dr. Matthes’ family and friends.

HONORING RETIRING ERIE COUNTY LEGISLATOR CYNTHIA LOCKLEAR

HON. BRIAN HIGGINS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. HIGGINS. Madam Speaker, I rise today to honor the service of a dedicated public official representing the towns of Cheektowaga and West Seneca as a member of the Erie County Legislature. It is my honor to honor Cynthia Locklear, whose service as a member of that legislative body, will conclude on December 31, 2007.

In her one term as a county legislator, Cindy Locklear was a proponent of good government and a steadfast protector of local taxpayers. An attorney who exemplified the role of “citizen-legislator” in her time in public office, Cindy earned a reputation as a fighter for government reform.

While Cindy’s service as a county legislator was brief, her impact upon county government as a whole and upon the legislature in particular has been considerable. County residents are better for her service, Madam Speaker, and I am grateful to you for allowing me an opportunity to honor her service to our community.

HONORING THE 80TH BIRTHDAY OF PHYLLIS FABER

HON. LYNN C. WOOLSEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Ms. WOOLSEY. Madam Speaker, I rise with great pleasure to honor a visionary, writer,
HONORING THE HUNTS POINT MULTI SERVICE CENTER

HON. JOSÉ E. SERRANO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. SERRANO. Madam Speaker, I rise today to honor the Hunts Point Multi Service Center as it celebrates its 40th anniversary of extraordinary work improving the quality of life in our South Bronx community.

The Hunts Point Multi Service Center, HPMSC, was founded in 1967 by local leaders and South Bronx community members to address the scarcity of quality healthcare facilities in the area. With an initial $50,000 grant, a free health clinic was established to service the Hunts Point and Mott Haven sections of the South Bronx. This clinic quickly expanded its operations when the war on poverty was declared by the Johnson administration, and became what is today known as HPSMC.

For the past four decades, HPMSC has provided services in response to the changing needs of the residents of the South Bronx community. This organization has also remained faithful to its commendable mission: the empowerment of the individual and the community. Its many programs are reflective of the organization’s commitment to holistic community-oriented human services. Although HPMSC’s primary focus has been on providing health and social services, this organization has also become a prominent advocate on behalf of constituents from my district, playing an important role in the development and revitalization of the South Bronx.

During its long years of service, this organization has been acclaimed by the Federal Government and the South Bronx community. Today, HPMSC has expanded its services to the Soundview section of the Bronx and provides services addressing HIV/AIDS, hepatitis C, and the Women, Infants and Children, WIC, Federal program.

Madam Speaker, the Hunts Point Multi Service Center is an effective and storied institution in my community, which has produced many great leaders for our borough and city. Its commitment and dedication to social justice in the South Bronx is commendable. I ask my colleagues to join me in paying tribute to the Hunts Point Multi Service Center on the occasion of its 40th anniversary.

RECOGNIZING NORTH EDGECOMBE HIGH SCHOOL—ONE OF THE BEST SCHOOLS IN AMERICA

HON. G.K. BUTTERFIELD
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. BUTTERFIELD. Madam Speaker, I rise today to recognize a very special high school in my congressional district. North Edgecombe High School. This school, which is located in Tarboro, NC, was ranked among the top high schools in the nation by U.S. News & World Report.

This year, only 34 high schools in North Carolina were recognized with this great honor and I am so proud that the Mighty Warriors of North Edgecombe High School achieved this great feat. The dedication of the administrators, teachers, support staff, parents, and students to ensure the success of the young generation is to be commended.

North Edgecombe High School is seated in a rural area of my district. It educates over 350 students in grades 9–12. Its population is 90 percent minority and 70 percent are labeled as “disadvantaged students.” As we from rural districts know, funding for public schools can be concentrated on the metropolitan areas of the state while the rural areas are seemingly forgotten. With limited resources they continue to prepare all students both academically and socially to successfully meet the challenges of an ever-changing society.

The largely affluent Research Triangle Park area which includes Raleigh, Durham, and Chapel Hill had no schools that made the list. This is a true testament to the hard work, dedication and determination of our teachers and students at North Edgecombe High School.

Madam Speaker, I ask my colleagues to join me in honoring the accomplishment of North Edgecombe High School. It is my most sincere hope that the teachers, students, and parents continue to work hard to ensure that they make the list again in the coming year. I hope other schools in my district will look to North Edgecombe High School as an example of excellence and a model to emulate.
TRIBUTE TO DICKEY LEE HULLINGHORST

HON. MARK UDALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. UDALL of Colorado. Madam Speaker, I rise today to pay tribute to a true public servant, Ms. Dickey Lee Hullinghorst. This month Dickey Lee is retiring as the intergovernmental relations director for Boulder County, Colorado, after nearly 23 years of public service. Her dedication, energy, insight and collaborative spirit will be greatly missed.

In 1985, Dickey Lee became the intergovernmental affairs director for Boulder County. In this capacity, she provided policy analysis to the county commissioners and other county officials, while also communicating and working with other governmental offices throughout the Denver metro area, the Colorado State legislature, State and Federal agencies, and the Colorado congressional delegation. With Dickey Lee in this position, these officials, offices and agencies were kept apprised of what was happening in the county and were consulted on important policy issues.

Dickey Lee also brought her expertise and collaborative, professional approach to various regional committees, such as Boulder County’s Consortium of Cities, Open Space Task Force, Solid Waste Task Force, Regional Transportation Task Force, and Regional Transit Committee.

Prior to her service to Boulder County, Dickey Lee gained a broad range of experience. She was a senior vice president at Herick S. Roth Associates, a public policy consulting firm in Denver. She was legislative affairs director for the Colorado Open Space Council, which was later renamed Colorado Environmental Coalition. And she was a computer programmer for the U.S. Department of Housing and Urban Development, HUD, here in Washington, DC.

She was also involved in many community activities, serving on the board of directors or advisory committees of Colorado Open Lands (also a founding member and treasurer), EcoCycle (the main recycling organization in Boulder), the Boulder County Parks and Open Space Advisory Committee, Political Action for Conservation, Boulder County Healthy Communities Steering Committee, Boulder County Resource Conservation Advisory Board, Plan Boulder County, City of Boulder Blue Ribbon Commission on Revenue Stability, currently serving, and Boulder County Mental Health Center, currently serving.

Her energy and skills were also recognized by Colorado’s governors, who appointed her to serve on the Colorado Mined Land Reclamation Board, the Front Range Project Steering Committee and to co-chair the Patterns of Development Committee and Open Space - Task Force, and the Metropolitan Water Roundtable.

Her work and involvement in these important community activities—as well as other significant initiatives—have been acknowledged with numerous awards including: the U.S. Environmental Protection Agency’s Quality of Life Award for her work in helping to pass the Colorado Clean Air Act and the inspection and maintenance program for emissions from automobiles; EcoCycle’s “Volunteer Oscar” for her work on recycling initiatives; the Boulder County Democratic Party’s “Give ’em Hell Harry” award; the Denver Regional Council of Governments (DRCOG) Metro Vision First Place award for her role in the development of the Boulder County “Super IGA,” an intergovernmental agreement among the municipalities in Boulder County and Boulder County on growth boundaries and rural preservation; the National Association of Counties intergovernmental cooperation award, also for the “Super IGA;” and DRCOG’s Local Government Collaboration Gold Award for her role in the development of the Louisville/Boulder County/Colorado Highway 42 Revitalization Commission Urban Renewal Intergovernmental Agreement.

In addition, Dickey Lee has been active in politics in Boulder County. She has been very involved with the Democratic Party and has helped bring a level of common sense and grounded perspective to her political activities.

Dickey Lee has been one of those who compiles the “backbone” of community life. She works hard and with a true respect for what government can and should do to make people’s lives better and help make government work better. Her accomplishments and record of service stand as a model for what a true public servant can do and how they should conduct themselves—with decorum, respect and dedication to the common good.

Madam Speaker, I ask my colleagues to join me in thanking Dickey Lee for all that she has done for the people of Colorado, Boulder County, and the city of Boulder. I wish her all the best in her future endeavors.

HONORING THE LIFE OF RITA ENGLE WELLS

HON. DAVID DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. DAVIDS of Tennessee. Madam Speaker, I rise today to honor the memory of Rita Engle Wells a resident of the First District, who died on November 20th of this year.

Mrs. Wells was a pillar of her community and cornerstone of her family. Our thoughts and prayers are with her husband Randy and two daughters Ashley and Rachelle. She was active in the youth ministry as a member of Solomon Lutheran Church.

She served life and shared that with the children at East View Elementary School, where she was a second-grade teacher. Her kindness for others showed on a daily basis.

Mrs. Wells was well respected by her students, colleagues, and parents as an admired educator. She had been described as a ‘light of love’ to those around her.

Madam Speaker, I ask you and my fellow members to join me in honoring the life of Rita Engle Wells, a loving wife, a mother, a true servant in her community, and a compassionate educator, whose commitment and unwavering determination will be greatly missed throughout East Tennessee.

ENERGY INDEPENDENCE AND SECURITY ACT OF 2007

SPEECH OF
HON. STEVE BUYER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, December 6, 2007

Mr. BUYER. Mr. Speaker, this bill is a step in the wrong direction. Our current focus should be on rebalancing our energy portfolio and responsibly accessing and managing our domestic energy resources to decrease our dependence on foreign oil. This legislation does not improve our energy security in any way. The included Renewable Fuel Standard mandates biofuel production levels which increase our Nation’s dependence on the same supply source for both our energy and food. Basing laws on unverifiable, technologically and economically unviable technologies and taxing the industry that actually provides energy to the country now, does nothing to decrease our dependence on foreign countries’ oil and gas.

We are an American nation that will not strike the manufactured language in Sect. 413 of the bill. The bill in its current form would have detrimental effects on the industry, which is a significant contributor to the Indiana economy, and it would undoubtedly result in higher manufactured home prices for consumers.

The Department of Housing and Urban Development has an ongoing stakeholder process to improve energy efficiency of manufactured housing. The HUD process strives for cost-effective efficiency standards that add real value for consumers and keep the overall product affordable. Section 413 would inject manufactured language; would only add confusion by creating an American impediment to strike the manufactured language in Sect. 413 of the bill. The bill in its current form would have detrimental effects on the industry, which is a significant contributor to the Indiana economy, and it would undoubtedly result in higher manufactured home prices for consumers.

The Department of Housing and Urban Development has an ongoing stakeholder process to improve energy efficiency of manufactured housing. The HUD process strives for cost-effective efficiency standards that add real value for consumers and keep the overall product affordable. Section 413 would inject manufactured language; would only add confusion by creating an American impediment to strike the manufactured language in Sect. 413 of the bill. The bill in its current form would have detrimental effects on the industry, which is a significant contributor to the Indiana economy, and it would undoubtedly result in higher manufactured home prices for consumers.

Meanwhile, it will not help energy efficiency since the alternative, stick-built homes, have no national energy standards. Improving the energy efficiency of homes is important, and it is necessary that these efforts take into account cost criteria as well. The manufactured housing industry is already working to meet efficiency standards previously legislated in the Manufactured Housing Improvement Act of 2000. This energy bill’s manufactured housing language would only add confusion by creating a duplicative program while simultaneously increasing the price of housing.

At a time when the United States’ housing market is unsettled, Congress should be making use of every opportunity to assist the average American in their dream of homeownership. This energy bill would make an affordable housing option unavailable for many Americans.
The Renewable Portfolio Standard in this bill also concerns me acutely. Without regard for the effect it will have on consumers’ electricity costs, this standard would require States’ investor owned utilities to meet 15 percent of their power generation with renewable energy. Coal is conspicuously absent from the list of acceptable fuels. Indiana has a 250 year supply of alternative energy in the form of coal. Coal is Indiana’s most prevalent energy resource, and I cannot support a bill that does not take that into account. I cannot support a bill that increases our reliance on foreign countries to move our States’ access to their own resources, and drives up the costs of electricity for hard working Hoosiers when they are already shouldering higher gas prices, and home heating costs. Furthermore, the bill does not include nuclear energy as an acceptable source. This is most confusing because the bill claims to be about addressing greenhouse gas emissions, and nuclear energy emits no Carbon Dioxide. Responsible Federal policy does not walk all over States’ rights, disregarding their unique economies and natural resources.

Democrats declare this bill an answer to rising energy costs, but it will only increase energy prices for Americans, and Hoosiers. This is bad energy policy for our country. It is bad for consumers’ pocketbooks, bad for Indiana and bad for my constituents. I urge my colleagues to vote no on Senate Amendments to H.R. 6.

TRIBUTE TO JIM WILLIAMS ON HIS 80TH BIRTHDAY

HON. MARION BERRY
OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. BERRY. Madam Speaker, I rise here today to pay tribute to a fine American, a hard-working family man and a good friend, Jim Williams.

Jim was born in Jonesboro, AR, on January 9, 1928, and graduated from Valley View High School. Jim and his wife Joyce were married on December 27, 1953, in Bono, AR. After school he joined the United States Air Force and honorably served our country overseas for 2 years. After serving, he returned home to Arkansas to become a farmer and eventually took a job working for the tool and die shop.

When he realized that working in a factory was not what he wanted to do, he moved to Detroit to learn auto mechanics from the Wol- verine Trade Institute. Armed with specialty training and knowledge, he returned to Jonesboro to become a service manager at Aycock Pontiac and soon became one of the most highly regarded service managers in the country. Jim retired from Aycock when he was 62 after more than 20 years of loyal service to the business. Today he is enjoying his retirement years by spending time with his family and is an active member of the Walnut Street Baptist Church.

Whatever endeavor Jim decided to do, from being a service manager to driving the tractor on the family farm, it was evident that he had an impeccable work ethic. In addition, he always treated everyone with respect and dignity, which is one of the many reasons he was a successful service manager at Aycock Pontiac and well regarded throughout his community.

Jim has been married to his wife Joyce for 53 years. They have one daughter, two grandchildren and are expecting their first great-grandchild in the spring. Jim’s commitment to our community and family is remarkable. In honor of his 80th birthday, I ask my fellow members of Congress to join me in congratulating Jim on this special occasion.

EXPRESSING SYMPATHY TO THE VICTIMS OF CYCLONE SIDR IN SOUTHERN BANGLADESH

SPEECH OF
HON. STEVEN R. ROTHMAN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, December 11, 2007

Mr. ROTHMAN. Mr. Speaker, I rise in support of H. Res. 842, a resolution that I introduced. This legislation expresses sympathy to and pledges the support of the House of Representatives and the people of the United States to help the victims of Cyclone Sidr in Southern Bangladesh.

Cyclone Sidr struck southern Bangladesh with 155-mile-an-hour winds on November 15th. Since then, its impact has been felt by more than 8.7 million Bangladeshis—more than 3,000 of whom were killed by this storm, 1.5 million who have lost their homes and live- lihoods, and thousands of children who have lost one or more parents, their schools and their access to food and water.

The damage caused by Cyclone Sidr was widespread. In fact, the southern districts of Bangladesh were so devastated by the cyclone that one relief worker commented that Bagerhat—one of the districts most dam- aged—looked like a “valley of death” in the days after the storm. Even Dhaka, the capital of Bangladesh that is located more than 130 miles away from the southern coastline, was impacted by the storm—losing access to power and water for days.

In addition to the human loss of life and live- lihood caused by this storm, another great loss was felt by the flora and fauna of Bangla- desh. During the cyclone, a massive tidal wave hit the Sunderbans, the world’s biggest mangrove forest and the home of the endan- gered Royal Bengal tiger. While researchers have yet to verify how many of these endan- gered tigers were killed in the storm, the dam- age that resulted from the cyclone has led ex- perts to declare the forest an “ecological dis- aster.”

However, in the midst of this death and de- struction, the U.S. government has been doing invaluable work to help the people of Bangla- desh. That is why this resolution also ex- presses support for the U.S. government’s ef- forts to provide emergency assistance to the people of Bangladesh. In fact, I want to single out the work of the U.S. Agency for Inter- national Development (USAID), which has thus far provided the people of Bangladesh with more than $19.5 million in emergency food aid and other humanitarian assistance. USAID has worked closely with the Bangladesh government and quickly reached over 8 million of the most vulnerable people in the wake of this disaster to provide assistance and help relieve human suffering.

Mr. Speaker, while Cyclone Sidr took away thousands of lives in Bangladesh, it has brought out the best in both American and Bangladeshi aid workers—enabling them to work together to help millions of people hurt by this storm and provide them with humani- tarian assistance. I commend them for their ef- forts and call on my colleagues to join with me in supporting this legislation so that we may express the House’s strong sympathy and support for the people of Bangladesh in their time of crisis.

PERSONAL EXPLANATION

HON. TIMOTHY V. JOHNSON
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. JOHNSON of Illinois. Madam Speaker, unfortunately yesterday, December 11, 2007, due to my flight being delayed due to mecha- nical issues, I was unable to cast my votes on H. Res. 842, H. Res. 847, and H.R. 4343.

Had I been present for rollcall No. 1142 on suspending the rules and passing H. Res. 842, Expressing sympathy to and pledging the support of the House of Representatives and the people of the United States for victims of Cyclone Sidr in southern Bangladesh, I would have voted “aye.”

Had I been present for rollcall No. 1143 on suspending the rules and passing H. Res. 847, Recognizing the importance of Christmas and the Christian faith, I would have voted “aye.”

Had I been present for rollcall No. 1144 on suspending the rules and passing H.R. 4343, the Fair Treatment for Experienced Pilots Act, I would have voted “aye.”

PERSONAL EXPLANATION

HON. JEFF MILLER
OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. MILLER of Florida. Madam Speaker, I would like to offer a personal explanation of the reason I missed rollcall vote Nos. 1142 through 1144 on December 11, 2007. My plane was delayed due to mechanical problems in At- lanta.

If present, I would have voted: rollcall vote No. 1142, H. Res. 842—expressing sympathy to and pledging the support of the House of Representatives and the people of the United States for the victims of Cyclone Sidr in southern Bangladesh, “aye”; rollcall vote No. 1143, H. Res. 847—recognizing the importance of Christmas, “aye”; rollcall vote No. 1144, H.R. 4343—the Fair Treatment for Experienced Pilots Act, “aye.”

HONORING THE LIFE OF BARBARA H. WORTLEY

HON. JAMES T. WALSH
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. WALSH of New York. Madam Speaker, I rise today to honor the life of internationally
known authority on paper-making technology, Barbara H. Wortley.

Mrs. Wortley of Fort Lauderdale, FL, passed away on November 25 in Washington, DC surrounded by her loving family. The wife of former Congressman George C. Wortley, she conducted innovative research in paper-making techniques for more than 40 years. Barbara was the first woman graduate of the SUNY College of Forestry with a pulp and paper specialty. She was an honors forestry graduate and also received a cum laude degree in chemistry from Syracuse University in 1948.

She was senior technical manager for Allied Chemical in Solvay, NY, later Allied Signal and then General Chemical. Her work took her to countries around the world to solve technical problems in paper mills. Numerous organizations awarded Barbara for her achievements. The Technical Association of the Pulp and Paper Industry, TAPPI, awarded her for many years of contributions to the organization. Barbara wrote more than 30 technical papers, contributed regularly to professional journals, organized seminars and was a member of TAPPI for more than 40 years.

Barbara served on several Central New York foundations and associations. She was a past president of the Zonta Club of Syracuse, NY, an international professional women’s organization; a former member of the CNY Epilepsy Foundation; and a former member of the New York State Women’s Advisory Council. For her many contributions, she was a Syracuse Post-Standard Woman of Achievement for Science.

She is survived by her loving husband, George C. Wortley, and their children, son George, daughters Ann and Elizabeth, daughter-in-law Susan, sons-in-law Frank and John, nine grandchildren, and two great-grandchildren.

For her contributions to paper-making technology and to the greater Central New York community, I honor my dear friend Barbara H. Wortley for her lifetime of accomplishment.

TRIBUTE TO KEITH COLLINS, CHIEF ECONOMIST, U.S. DEPARTMENT OF AGRICULTURE

HON. COLLIN C. PETERSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PETERSON of Minnesota. Madam Speaker, I rise today to recognize the dedicated service of Dr. Keith Collins who has served with distinction as the Chief Economist for the U.S. Department of Agriculture for almost 14 years. At the end of this year Keith will retire, and he will be missed, not only by his colleagues at USDA but by all of us who came to respect and rely on his nonpartisan, thoughtful and detailed analysis of economic issues in agriculture.

Keith began his career as an economist with USDA in 1977, and his tenure there has spanned four presidencies of both political parties. He has served under nine Secretaries of Agriculture.

In 1994, Keith was named Chief Economist at USDA, and in that capacity he has been responsible for economic forecasts and projections and has advised the Secretary of Agriculture on the economic implications of alternative programs, regulations and legislative proposals. His advice has not been limited to the Secretary either; he has become a valued advisor to Members of Congress and others involved in agriculture policy.

On highly charged political issues, Keith is known for his honesty, competency and influence. Even when facing tough questions from Members of Congress, nothing seems to rattle Keith’s calm, rational demeanor.

Keith has also earned the respect of his peers in the field of agricultural economics. Keith is a Fellow of the American Agricultural Economics Association, which is the highest honor the agricultural economics profession can bestow.

One economist who worked with Keith over the years measured the potential success for newly appointed Secretaries of Agriculture using what he called the “Keith Collins intelligence test.” If the new Secretaries appointed Keith as Chief Economist, they passed.

Keith’s colleagues at USDA have also recognized his outstanding contributions. He received the Presidential Rank Award for Meritorious Executive in 1990 and 1996 and the Presidential Rank Award for Distinguished Executive in 1992, the highest award a Federal executive can receive.

Madam Speaker, Keith’s retirement is a real loss for American agriculture. Through his service at USDA, he has influenced agriculture policy in many positive and lasting ways. His work truly has touched the lives of many Americans, especially our Nation’s farmers and ranchers.

On behalf of the House Agriculture Committee, I extend to Keith our deepest appreciation for his service to American agriculture and wish him great happiness in retirement.

RECOGNITION OF HANDELlY HIGH SCHOOL VARSITY FOOTBALL TEAM

HON. MIKE ROGERS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. ROGERS of Alabama. Madam Speaker, I would like to recognize today the players and coaches of the Handley High School varsity football team from Randolph County in Alabama’s Third Congressional District.

These talented young athletes recently won the 4A Regional Championship, and in doing so, became a great source of pride by their community. These young people worked tirelessly to earn this great honor, and brought together young and old fans across Randolph County to cheer the Handley Tigers on.

I am proud to acknowledge and congratulate the Handley High School varsity football team of 2007 in the House today, and extend my most heartfelt congratulations to these talented young people for their significant accomplishment.

ENERGY INDEPENDENCE AND SECURITY ACT OF 2007

SPEECH OF
HON. BETTY MCCOLLUM
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, December 6, 2007

Ms. MCCOLLUM of Minnesota. Mr. Speaker, I rise today in strong support of the Energy Independence and Security Act. With this legislation, the new Democratic Congress is leading America in a new direction on energy policy.

This is the most significant energy bill in a generation. The House is taking a major step toward ending our dependence on foreign oil by increasing efficiency standards for cars and trucks for the first time in over 30 years. This will reduce America’s need for oil by 1.1 million gallons per day, cut emissions almost 27 million tons per year, and save Minnesota families up to $1,000 every year.

The Energy Independence and Security Act is Congress’s most serious effort to combat global climate change to date. The bill includes the first ever national Renewable Energy Standard requiring utilities to generate at least 15 percent of the electricity we use from renewable sources, including wind, solar, biomass and geothermal sources. In addition, it also implements landmark energy efficiency standards for appliances, lightings and buildings, which will significantly reduce our emissions, while saving American families and businesses billions of dollars in unnecessary energy costs.

By setting new priorities, the House can do all this while also cutting costs for consumers and creating millions of new high-paying, high-skill “green” jobs. This legislation repeals $21 billion in taxpayer subsidies for highly profitable oil and gas companies and redirects these needed resources into developing America’s new clean energy economy. This money will be invested in research and development so that American auto makers will produce the next generation of hybrid and electric cars. It will allow 3 million Americans to receive job training for new green jobs, and provide assistance for small businesses to reap the benefits of this growing industry. It will ensure that power plants become cleaner through tax credits for investments in clean power and the long overdue implementation of carbon capture and sequestration technologies. Moreover, Minnesota farmers will benefit from its historic commitment to homegrown biofuels—replacing Middle East crude with Midwest crops.

It is time to make America more secure, more prosperous and more environmentally sustainable. I urge my colleagues to join me in supporting a new direction in energy policy.

PERSONAL EXPLANATION

HON. PAUL RYAN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. RYAN of Wisconsin. Madam Speaker, I was absent for legislative business conducted on December 11, 2007, due to inclement weather grounding flights from Wisconsin. As a result, I missed rollcall votes 1142 through 1144.
Mr. LATHAM. Madam Speaker, I rise today to congratulate the Veterans of Foreign Wars Post No. 2541 on their 75th anniversary. Post 2541 has been organized since 1932 in Algona, IA, which is located in Kossuth County.

No one has done more to secure America's freedom and prosperity than our veterans who have valiantly defended our country. I commend all past and present members of Post 2541 for their dedicated service to America as they celebrate this historic milestone in their post's history.

The mission of the Veterans of Foreign Wars of the United States is to “honor the dead by helping the living” through veterans’ service, community service, national security and a strong national defense. For 75 years, Post 2541 has lived out this mission for the betterment of their community and the United States of America.

Again, I congratulate the Kossuth Veterans of Foreign Wars Post No. 2541 on this historic anniversary. It is an honor to represent each member of this remarkable chapter in Congress, and I wish them an equally storied future.

HONORING THE 90TH ANNIVERSARY OF THE FOUNDING OF FATHER FLANAGAN'S BOYS TOWN

HON. LEE TERRY
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. TERRY. Madam Speaker, I rise today to honor the founding of Father Flanagan’s Boys Town 90 years ago today in Omaha, NE. Father Flanagan came to Omaha as a frail Catholic priest determined to make a difference and he found his calling in caring for, educating and housing orphaned boys. Father Flanagan’s attitude can best be summed up by his famous aphorism “there are no bad children.” He firmly believed this and it became the basis of the work of Boys Town.

Another aphorism attributed to the children of Boys Town is: “He ain’t heavy, Father, he’s m’brother.” This simple statement encompasses what we all know—that with help from our peers and our Creator we can bear any burden to help those in need.

The difference Father Flanagan made in the lives of young people resonates to this day. Because of Father Flanagan’s commitment to improving the lives of children, Boys Town now assists homeless or at-risk children in 14 States as well as the District of Columbia. In fact, last year approximately 450,000 children and families found help through Boys Town National Hotline. This number includes 34,000 calls from youth where hotline staff intervened to save a life or provide counseling. These numbers are truly impressive for one organization.

Father Flanagan’s work even lead to the production of the movie Boys Town starring Spencer Tracy and Mickey Rooney, for which Spencer Tracy earned the Academy Award. Using the fame generated by the Academy Award winning movie, Father Flanagan expanded his work on the welfare of children beyond the United States and traveled to Japan and Korea in 1947 to study child welfare problems and to spread his idea of Boys Town. He traveled to Austria and Germany, and while in Germany he died on May 15, 1948 of a heart attack. He was buried in the Dowd Chapel at Boys Town.

Madam Speaker, without Father Flanagan and his dedicated work, which continues through Boys Town, our Nation would be a poorer place spiritually, I believe that Father Flanagan’s Boys Town is an excellent example of the positive impact faith-based institutions can have on our society. Father Flanagan’s Boys Town is now Father Flanagan’s Girls & Boys Town to reflect the fact that it serves all children.

I commend their long-term commitment to the children of this Nation and believe they deserve the recognition of Congress on the celebration of the 90th Anniversary of Boys Town’s founding.

HOTLINE OF THE NATIONAL FEDERATION

HON. JOE BARTON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, December 11, 2007

Mr. BARTON of Texas. Mr. Speaker, I rise in support of H.R. 2601, Do Not Call Registry Fee Extension Act of 2007. I am a cosponsor of the legislation and I want to thank Mr. STEARNS for his great work on this bill, and for his leadership on this issue.

I have never seen a legislative proposal move so quickly and achieve such immediate popularity. In the 108th Congress, then-Chairman Tauzin introduced the bill and it became law in less than 2 months. After a court challenge, it was clear that we needed to shore up the FTC’s authority, and it did exactly that.

I am glad that Mr. STEARNS, along with Mr. RUSH, Mr. PICKERING and Mr. DOYLE, have worked with the FTC to reauthorize and improve that program, and I offer my strong support. I am also grateful to the FTC for their great work in keeping dinnertime uninterrupted for me and 145 million others. This is one instance in which Congress has received near-unanimous, bipartisan approval from the public, and I urge all Members to support H.R. 2601.
TRIBUTE TO REVEREND JOHN FREDICK NORWOOD  
HON. JANICE D. SCHAKOWSKY  
OF ILLINOIS 
IN THE HOUSE OF REPRESENTATIVES  
Wednesday, December 12, 2007 

Ms. SCHAKOWSKY. Madam Speaker, I rise to pay tribute to Reverend John Fredrick Norwood who died on December 7, 2007. Reverend Norwood and I were friends for over 20 years. We were friends in the very best sense. We stuck with each other through thick and thin—through victories and defeats, good times and challenging times. He was a great source of support for me and my husband Bob. Reverend Norwood (I rarely called him John) was my mentor. He advised me and helped me as I ran my campaigns, as I set up my offices and as I worked in my official capacities to serve our community. Reverend Norwood was a role model for me. I saw him treat those with the least, with the greatest respect. He helped and befriended people regardless of race, gender, or station in life. No one had fallen too far for John Norwood to offer a helping hand, often with no public recognition for doing so. His generosity of spirit and of material things had no bounds. Reverend Norwood was courageous. He would insert himself into controversies that others avoided when he knew the cause was just and his voice was needed, regardless of the consequences. Reverend Norwood was a spiritual adviser to me, something that may sound odd from a Jewish woman and proud member of Beth Emet synagogue. Next to Beth Emet, however, Mt. Zion was my spiritual home. I will never, ever forget the day that he prayed for me as I knelt in front of the church while he and members placed their hands on me. I was deeply touched inside and out and filled with the commitment to always do my best to be worthy of their blessings. Whether it was helping the children at that great organization Family Focus, serving as Senior Police Chaplain or on the District 65 school board, working for political candidates, or reaching into his own pocket to help, for example, to pay for funeral expenses for a family in need, Rev. Norwood was a kind and generous and loving man. His legacy will live on in the many people he helped, in the many improvements he made in our community, and in the many lives that he deeply touched, including mine.

I feel so fortunate that I was able to have a wonderful afternoon visit with Rev. Norwood at the North Shore just days before he died. He was clearly so happy to be back in Evanston, and I marveled at how well he looked. The very next day, I was in Washington, DC with BARACK OBAMA and I had him sign a photo for Rev. Norwood. I was planning to bring it to him for Christmas. BARACK remembered him fondly from his days campaigning for the U.S. Senate and wrote “To Rev. Norwood, God Bless.”

And God did bless Rev. Norwood with a good 20 years. We were friends in the very best sense, and an abundance of achievements great and small. He is home now and sorely missed here. I loved Rev. Norwood and I always will. On behalf of my husband and myself, I extend our most sincere condolences to his family and closest friends and all who mourn the loss of our precious friend, Rev. John Fredrick Norwood.

TRIBUTE TO JEREMY OESTMANN  
HON. TOM LATHAM  
OF IOWA 
IN THE HOUSE OF REPRESENTATIVES  
Wednesday, December 12, 2007 

Mr. LATHAM. Madam Speaker, I rise today to recognize and congratulate Jeremy Oestmann of Fort Atkinson, Iowa on graduating from the Americorps National Civilian Community Corps (NCCC) program. On November 14, 2007, Jeremy graduated from the 10-month-long Americorps program, which is run by the Corporation for National and Community Service. This full-time, team-based residential program organizes teams of 10–12 members to respond to needs identified by community-based organizations in local communities across every state. One of Jeremy’s notable assignments was to serve in the Gulf Region after Hurricane Katrina struck in order to support disaster relief and ongoing recovery efforts.

Jeremy served as the Team Leader for the Fire Seven team, a duty that required immense responsibility, steadfastness, and strong-willed character. Jeremy’s leadership and willingness to serve is a wonderful example of the eagerness of Iowans to help one another and make sacrifices for the betterment of their community and the world. I know that my colleagues in the United States Congress will join me in commending and congratulating Jeremy Oestmann for his service to, and graduation from the Americorps program. I consider it an honor to represent Jeremy in Congress, and I wish him the best in his future endeavors.

TRIBUTE TO PHILIP FAWCETT  
HON. TIM RYAN  
OF OHIO 
IN THE HOUSE OF REPRESENTATIVES  
Wednesday, December 12, 2007 

Mr. RYAN of Ohio. Madam Speaker, I rise today to pay tribute to Philip Fawcett, who has been serving as Legislative Fellow in my office since January and will be completing his tenure at the end of this month. Phil Fawcett joined my staff last January through the 2007 Congressional Fellowship Program and the Work Experience Fellowship Program. He exemplifies a truly remarkable and exceptionally dynamic professional and has contributed greatly to the work my office has done for the 17th District. His work on the issues of transportation, housing, and the environment has been well-organized and efficient, and I have greatly valued his advice on a wide variety of co-sponsorship and voting matters. Phil Fawcett attended the Georgia Institute of Technology and graduated with highest honors with a degree in aerospace engineering. Phil also gained his Masters and Doctorate degrees from the Georgia Institute of Technology. He went on to pursue a career with the Aerospace Corporation and has worked closely with the National Reconnaissance Organization and numerous other programs within the Department of Defense. His extensive education, combined with his impressive 14 years of experience with technical and programmatic consulting, has played an integral role in his Legislative Fellowship. Having worked with various areas of the U.S. Government and numerous IC agencies, Phil has significantly contributed to my domestic agenda as well as international affairs related issues, such as my testimony to the U.S.-China Economic Security and Review Commission. He has also been a vital component in the areas of currency and trade, as he was responsible for helping to move legislation on international monetary policy and currency manipulation. His letter to the chairman and ranking member of the Ways and Means Committee that urged movement on the currency issue garnered the collection of over 90 member signatures.

Phil Fawcett has worked closely with my district office and maintained crucial relations with the Department of Commerce, U.S. Trade Representative, Ohio Department of Transportation and Federal Aviation Administration, among many other essential divisions. He has also handled all issues related to my co-chairmanship of the House Manufacturing Caucus with skill and proficiency. Furthermore, his vigorous commitment to the organization, planning and implementation of the Tech Belt Forum last September generated a very successful event, which was a significant stepping stone in the future economic and industrial advancement of my district.

I would like to personally thank Phil Fawcett for his tremendous dedication, his distinguished service and wish him all the best in his future endeavors. Phil, it’s been a pleasure working with you and good luck!

TRIBUTE TO THE GETTELFINGER FAMILY  
HON. JOHN J. DUNCAN, JR.  
OF TENNESSEE  
IN THE HOUSE OF REPRESENTATIVES  
Wednesday, December 12, 2007 

Mr. DUNCAN. Madam Speaker, I rise today to honor a true great American family. The Gettelfinger family has been one of the leading families of Knoxville, TN, for many years. The senior generation of this great American family now consists of Andrew, Earl, and Herman Gettelfinger and their wives Frances, Marianne, and Nancy.

We have heard and read much about the Greatest Generation of Americans, deservedly referring to World War II and Korean veterans and those who have raised the so-called Baby Boom Generation. The senior Gettelfinger family generation has put their children and grandchildren in a position to generate over $500 million for our State and local economies. They and their family have been leaders in the areas of workforce, technology and those who have raised the so-called Baby Boom Generation.

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I would like to personally thank Phil Fawcett for his tremendous dedication, his distinguished service and wish him all the best in his future endeavors. Phil, it’s been a pleasure working with you and good luck!
numerous charities, including the Helen Ross McNabb Center, Empty Stocking Fund, United Way, Catholic Charities, and many others.

The three Gettelfinger families whom I am honoring have raised 18 children, who are successful in their own right, and numerous grandchildren.

Andrew and Frances Gettelfinger, Earl and Marianne Gettelfinger, and Herman and Nancy Gettelfinger are being honored by their families and friends in Knoxville on December 16, 2007. I would like to join in paying tribute to those wonderful people. This Nation is a much better place today because of the Gettelfinger family and the senior generation that is being honored at this time.

Madam Speaker, in closing, I urge my colleagues to join me as I salute the Gettelfinger family of Knoxville, TN.

PAYING TRIBUTE TO JOAN TUNTLAND

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor the life of my dear friend, Joan Tuntland, who passed away on June 18, 2007, with the same strength, poise, and grace which defined her life.

Joan was born in 1937 in Stockton, California, and moved as a young child to Reno, Nevada, with her family. There she grew up attending Veteran's Memorial Elementary School and Reno High School, both of which she graduated from in 1956. The friendships Joan forged during her time at Reno High School proved to be lifelong, culminating in her 50-year high school reunion last summer.

Joan worked various jobs and eventually met her husband, Larry, while they were both employed at the First National Bank of Nevada. Larry would later become President of Nevada. Joan immediately became active in the community. These contacts forged friendships which she would hold dearly the rest of her life.

While in Las Vegas, Joan became active with Bishop Gorman High School, mirroring her involvement at Bishop Manogue High School in Reno. Her continuous support of Bishop Gorman High School was formally acknowledged as she and Larry were bestowed the honor of being inducted into the Royal Order of the Gael in March of 1992. In 1996, shortly before her husband's retirement they relocated back to Reno, Nevada.

Joan was blessed throughout her life with many amazing friendships; however, family remained her primary purpose and true love in her life. Her love, leadership, and spirituality made her the rock and foundation of her family.

Madam Speaker, I am proud to honor the life and legacy of my friend Mrs. Joan Tuntland. Her dedication and love for her family and community should serve as an example to us all. I applaud all her efforts and accomplishments and I send my sympathies, as she will be missed by many.

A PROCLAMATION HONORING NORM GARY ON HIS RETIREMENT

HON. ZACHARY T. SPACE
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. SPACE. Madam Speaker: Whereas, Mr. Gary has demonstrated values of hard work and service throughout his life, always making the most of the opportunities given to him, and Whereas, Mr. Gary is recognized for 30 years of dedication to the Hocking County community; and Whereas, Mr. Gary has impacted the lives of many while teaching residents skills that have helped them obtain employment; now, therefore, be it
Resolved, that along with his friends, family, and the residents of the 18th Congressional District, I thank Norm Gary for his 30 years of service. We recognize the tremendous impact he has had in his community and in the lives of all those people he has touched.

CONGRATULATING LYNN HIDELL AND CAROL J. MEADE

HON. MICHAEL C. BURGESS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. BURGESS. Madam Speaker, I rise today to congratulate Lynn Hidell and Carol Meade, who were honored as Citizens of the Year in Little Elm, Texas.

Ms. Hidell and the late Ms. Meade volunteered as a team for 10 years at several Little Elm events, such as the July Jubilee, the Holidaze Celebration at Beard Park, the Little Elm Awards Foundation, and the Summer Rhythms Concert Series. The two ladies have been friends for years, and while working together for their community complemented each other through their compatibility. The decision was a plurality, as the selection committee received multiple nominations for both Hidell and Meade.

Ms. Hidell began volunteering in Little Elm over 10 years ago as a means to get to know people in her community. She also donates time at the Little Elm Area Food Bank, and hosts a jet-ski adventure fundraiser each year to benefit the food bank. She works as an office manager for Hidell and Associates, Inc. Apart from her volunteering with Hidell, Ms. Meade also served on the Lake Vision Committee. Those who knew Ms. Meade recall her as a caring, giving, hard working, and kind-hearted individual.

These ladies exemplify hard work and a commitment to their community. I extend my sincere congratulations to Ms. Lynn Hidell and Ms. Carol Meade of Little Elm. It is an honor to represent them in the 26th district of Texas.

PAYING TRIBUTE TO JUDGE CEDRIC A. KERNS

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor Judge Cedric A. Kerns, who is being honored as a Bench Trailblazer by the Bicolanos of Nevada and Filipino American California Expatriates Society of Las Vegas. Judge Kerns first became active in the Las Vegas community while attending the University of Nevada Las Vegas. During his undergraduate years he was a member of UNLV's nationally ranked debate team. After receiving his juris doctor from the University of San Diego, Judge Kerns became partner and co-founder of the law office of Kerns and Lybarger, where he focused on criminal defense and domestic law. During his time in private practice, Judge Kerns was appointed as a member of the Nevada Supreme Court's Task Force for the "Study of Economic Bias" in the justice system.

The experience gained while Judge Kerns was in private practice helped him to succeed in being elected to the Las Vegas Municipal Court, Department 5, in 1997. During his 10 years as a judge in Las Vegas, Judge Kerns has greatly enriched the community, as is evident in his being awarded the 2006 Outstanding Judge of the Year Award by the Nevada Judges Association. One of his projects that Judge Kerns began and has maintained is the Habitual Offender Prevention and Education (HOPE) Court. Through his hard work he has helped habitual offenders to get sober and off the streets, Judge Kerns also spends time at the Las Vegas Municipal Court liaison for Domestic Violence Offenders; he serves as a member of the Judicial Council of the State of Nevada, an administrative arm of the Supreme Court, as well as being a member of the Court Funding Commission of the Supreme Court of Nevada.

Madam Speaker, I am proud to honor Judge Cedric A. Kerns. Throughout his years as a lawyer and judge, he has committed himself to helping others and the community. I congratulate him on being recognized as a Bench Trailblazer, and wish him well in his future endeavors.

A PROCLAMATION HONORING HAROLD AND DIANE KEESEE ON RECEIVING THE ANGELS IN ADOPTION AWARD

HON. ZACHARY T. SPACE
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. SPACE. Madam Speaker: Whereas, Harold and Diane Keesee are recognized for receiving the Angels in Adoption Award, and Whereas, Mr. and Mrs. Keesee are an asset to our community and have been fostering children for seventeen years, and Whereas, Mr. and Mrs. Keesee have made a difference in those lives that enter their home, and Whereas, Mr. and Mrs. Keesee exemplify the spirit of selflessness and giving through their extraordinary work in child welfare; now, therefore, be it
Resolved, that along with their friends, family, and the residents of the 18th Congressional District, I commend Harold and Diane Keesee on their contributions and service to children in Tuscarawas and Guernsey Counties. Congratulations to Harold and Diane Keesee on receiving the Angels in Adoption Award.
CONGRATULATING SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT ON HAVING THREE SCHOOLS LISTED IN THE TOP 100 AMERICAN HIGH SCHOOLS IN U.S. NEWS AND WORLD REPORT

HON. RUBEN HINOJOSA
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. HINOJOSA. Madam Speaker, I urge my colleagues to join me in congratulating the South Texas Independent School District for having 3 of its high schools listed among the 100 in the nation according to U.S. News and World Report.

The South Texas Independent School District shatters the myth that low income and minority students cannot achieve academic excellence. Eighty percent of the school district’s students are of Hispanic heritage. Over 50 percent are eligible for free or reduced priced lunches. These outstanding high schools are open enrollment—they do not pick and choose among the best and brightest, rather they foster excellence in any student willing to make the commitment to a rigorous program of study.

Of the more than 18,000 public schools in the United States, the South Texas Independent School District placed 3 high schools: The Science Academy, the Business Education and Technology Academy, and the High School for Health Professions in the gold medal category for excellence in school performance on state tests and for success in providing college level coursework to all of their students. They demonstrate that high achievement is possible system-wide when you bring together the right leadership and community support.

I would like to commend the superintendent of South Texas Independent School, Dr. Marla Guerra and the president of the school board, Mr. Ernesto Alvarado for these school’s leadership and stewardship of the school system. They have maintained and deepened the tradition of high achievement that has been the hallmark of the school district since the first magnet high school opened its doors in 1984.

I ask my colleagues to join me in congratulating the achievement of the Science Academy, led by Principal Michael Aranda and ranked number 23 in the nation.

Please join me in celebrating the national recognition of the Business Education and Technology Academy led by Principal Magdalena Gutierrez and ranked number 54 in the nation.

Let us cheer the accomplishment of the High School for Health Professions, led by Principal Barbara Heeter and ranked number 64 in the nation.

The national recognition of the talent and potential of our young people in South Texas is long overdue. I commend South Texas Independent School District for nurturing tomorrow’s leaders. I applaud our community of students, parents, and educators for demanding the best and exceeding expectations.

In closing I would like to share with you the secret of South Texas Independent School district’s astounding success. They set high standards for academic and personal development and shared values. Their goal is that each graduate of South Texas Independent School District for nurturing tomorrow’s leaders. I applaud our community of students, parents, and educators for demanding the best and exceeding expectations.

In closing I would like to share with you the secret of South Texas Independent School District’s astounding success. They set high standards for academic and personal development and shared values. Their goal is that each graduate of South Texas Independent School District: is a compassionate, caring individual; has a passion for life-long learning; is an effective communicator; is a producer of quality work; is creative and curious; appreciates the differences in people; is a competent problem-solver; is a responsible and ethical citizen; strives for a balanced professional and home life; contributes to the community well-being through service; and is academically and occupationally skilled.

The Science Academy, the Business Education and Technology Academy, and the Health Professions High School in the South Texas Independent School District are among the best of the best high schools in the nation. They produce graduates who are ready, willing and able to succeed in their communities. I congratulate them on winning national recognition and encourage them to keep up the good work.

TRIBUTE TO RESEARCHER AND UNM VICE PRESIDENT TERRY YATES

HON. TOM UDALL
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. UDALL of New Mexico. Madam Speaker, when Terry Yates began hunting the ‘‘Sin Nombre’’ virus, it was a vague and threatening disease that public health professionals could neither understand nor control. Yates and his collaborators traced the virus to its sources, revealed how it works, and saved lives. Because of his resolve to demystify the deadly illness, today we know how to prevent and treat what is now commonly known as hantavirus.

Yates’s accomplishment won him awards, but for him it was just the job he wanted to do. From his perch at the University of New Mexico, he devoted his remarkable intellect and
passion to saving lives and helping students live their dreams.

He loved the thrill of intellectual pursuit. Colleagues noticed that he preferred being out in the field, in hot pursuit of a new discovery. Back on campus, he helped build UNM and connect the university to its community, and he helped a new generation of scientists to get into the field.

As we honor his life and contributions today, our thoughts are with Terry’s wife Patsy and their sons. He will be missed by the UNM community and all of us who benefited from his intellect and commitment to helping others.

HONORING CHARLES G. WIMSATT

HON. RON LEWIS
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. LEWIS of Kentucky, Madam Speaker, I rise today to recognize Charles Wimsatt, an outstanding man with a long history of service to our country and to Kentucky. Mr. Wimsatt has been an active member of American Legion Post 121 in Bardstown, KY, for 24 years. Mr. Wimsatt joined the Army in 1953, serving as a medic. He retired from the Army with the rank of corporal.

Mr. Wimsatt has made it a personal priority to serve his fellow veterans through his work with American Legion Post 121. He is currently in his fourth term as post commander. Under his command the post reached its 100 percent membership goal for the first time in 15 years. Mr. Wimsatt also directed recent facility renovations.

Beyond his service to the American Legion, Charles Wimsatt has found time to be active in many other worthy causes. He has played an integral part in fundraising for his local National Guard unit and is currently raising money for a VA medical facility in Germany. Mr. Wimsatt also served on the Black Mud Volunteer Fire Department for 46 years.

It is my privilege to honor Charles G. Wimsatt today for his service to our country and his tireless efforts on behalf of American Legion Post 121. Mr. Wimsatt has made a significant difference to his Old Kentucky Home.

PAYING TRIBUTE TO IRENE PORTER

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor my dear friend Irene Porter, Executive Director of the Southern Nevada Home Builders Association, for her 30 years of dedicated service to a prominent Nevada trade organization that represents home building industry in Nevada.

For the past three decades, Irene has been committed to overseeing the SNHBA’s programs and efforts. Most notably, Irene has lobbied the association and home building industry at the Nevada State Legislature. She was recognized by the Legislature in 1991 as the “Lobbyist of the Year” and was later inducted into the Nevada Lobbyist Hall of Fame in 1997. She has also built and maintained invaluable relationships with Federal, State, and local governments. In her post, she has managed two successful programs: The Housing Quality Trade Contractor Certification Program and the Southern Nevada Green Building Partnership program. For a period of exponential growth, Irene has been steadfast in leading the industry and sustaining the stability and viability of the housing markets in Southern Nevada.

During her distinguished career as the Executive Director, Irene has championed numerous worthy causes. She has advocated for fair housing accommodation for persons with disabilities, which provide a valuable community service and contributes to the economic viability of the region. Irene has also been a leader on important community issues such as public schools and infrastructure building; and environmental issues such as dust control, and water and energy efficiency and conservation. Through her tireless service to her association and her community, she has been awarded with four National Association Excellence awards from the National Association of Home Builders and a Civic Hero Award from the Clark County School District.

Madam Speaker, I am proud to honor my good friend Irene Porter. Her leadership to the community and professional successes are truly admirable and should serve as an example to us all. I am extremely fortunate to have been able to call Irene a friend for many years and I wish her all the best in her future endeavors.

A PROCLAMATION HONORING THE PRO MUSKINGUM FAMILY AND CHILDREN FIRST

HON. ZACHARY T. SPACE
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. SPACE. Madam Speaker: Whereas, Pro Muskingum Family and Children First has been selected to receive the Ohio Department of Education’s 2007 Asset Builder Award for Exemplary Practices to a Community Organization; and

Whereas, Pro Muskingum Family and Children First is enhancing the quality of life in Muskingum County and are attracting families and businesses to the region; and

Whereas, areas such as family strengthens, promoting education, developing leaders within the community are being addressed by the organization; be it Resolved, that I commend with my colleagues in the Ohio General Assembly the Pro Muskingum Family and Children First for their outstanding community efforts.

TRIBUTE TO RHONDA BAKER

HON. TOM LATHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. LATHAM. Madam Speaker, I rise today to recognize Rhonda Baker as the recipient of the Stephen Tsai Award for Excellence in Autism Education and for her commitment and enthusiasm as a teacher in the Jefferson-Scranton School District in Iowa.

The Stephen Tsai Award recipient is selected by the Autism Society of Iowa and is presented at its annual fall conference. Sonya Willis, who has three sons with autism, nominated Rhonda for her exceptional work that positively touched each of their lives.

Rhonda’s success in working with autistic children is attributed to her ability to build upon her students’ strengths in order to increase their confidence. The confidence she instills in her students opens doors to endless growth and learning opportunities. Rhonda is gifted with the immense patience and determination required to give autistic students the individual attention they need and she diligently undertakes research to find the right teaching techniques for each unique case.

I congratulate Rhonda Baker on her well-deserved award, and I’m certain that she will continue to touch the lives of many children in her community. It is a great honor to represent Rhonda in Congress, and I wish her continued success.

RECOGNIZING ELLIANA KAYE WOODWARD

HON. SAM GRAVES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. GRAVES. Madam Speaker, I proudly pause to celebrate the birth of Elliana Kaye Woodward. Elliana was born on Monday, November 12, 2007, Veterans Day, to her proud parents, Ryan and Kristin Woodward of Stafford, Virginia. I find it very appropriate that Elliana was born on Veterans Day since her father is a patriot in the United States Marine Corps. Elliana entered the world at 2:21 p.m. at Mary Washington Hospital, Fredericksburg, Virginia, weighing a healthy 7 lbs. 11 oz. and 19½ inches long.

Elliana also has proud grandparents, Darrell and Susan Hall, of Sidney, Nebraska, and Cheryl and Duane Farmer of Sidney, Nebraska, as well as Bruce Woodward of Maryville, Missouri, to spoil her. Elliana is also the niece of Travis and Sarah Woodward of Bowie, Maryland; Nathan Woodward of Maryville, Missouri; Sarah Hall, Zach Hall and Zane Hall of Sidney, Nebraska.

Madam Speaker, I proudly ask you to join me in celebrating the birth of Elliana Kaye Woodward. I see great things in Elliana’s future considering her parents’ great emphasis on family values, faith and patriotism. I wish Elliana the best life has to offer.

PAYING TRIBUTE TO JUDGE ROBERT J. JOHNSTON

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor the Honorable Judge Robert J. Johnston of Nevada for his 20 years of honorable service as a United States Magistrate Judge.
Judge Johnston received his formal education from the University of the Pacific’s McGeorge School of Law. Upon graduation in 1977, he worked as a clerk for Judge Merilyn H. Hoyt for the Seventh Judicial District in Ely, Nevada. Mr. Johnston stayed and served White Pine County from 1979–1982 as the District Attorney while also maintaining a private practice.

Judge Johnston has been and remains an active member of the community while participating in a variety of professional and social organizations. He served on the Ninth Circuit Conference Committee, and participated in organizing three circuit conferences. Additionally, he served on the 9th Circuit Magistrate Judge Executive Board. Presently, Judge Johnston sits on the Court Administration and Case Management Committee of the Judicial Conference of the United States Courts. He is also a member of the board for the Nevada Judicial Historical Society and the Ninth Judicial Circuit Historical Society. Passionate about the preservation of the history of Nevada, Judge Johnston was named the District of Nevada’s court historian and has actively begun taking oral histories of his colleagues which will be transcribed and submitted to the Ninth Circuit Court of Appeals Historical Society. Judge Johnston hopes that the personal interviews he has conducted will provide a more insightful understanding of these distinguished and honorable men and women.

Judge Johnston is a staple in the community and remains active in various local organizations. He is on the Board of Directors of the Las Vegas Area Council of the Boy Scouts of America and holds a leadership position within his church congregation. In his spare time, Judge Johnson enjoys running, traveling, and spending time with his family.

Madam Speaker, I am proud to honor the Honorable Judge Robert J. Johnston. His commitment and dedication to Nevada and his Nation should be applauded by all. I wish to congratulate him on 20 years as a United States Magistrate Judge and thank him for his service.

RECOGNIZING THE OPENING OF THE ST. VINCENT DEPAUL COMMUNITY HEALTH CLINIC

HON. TIM MAHONEY
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. MAHONEY. Madam Speaker, I rise today to celebrate the opening of the St. Vincent DePaul Community Health Clinic in Port Charlotte, Florida. This nonprofit organization took on the challenge of addressing the medical needs of the uninsured, underinsured and homeless in Charlotte County. The opening of the clinic was championed by Dr. Mark Asperilla and Dr. David Klein, and I would like to commend their hard work and dedication in seeing the clinic become a reality.

The clinic, which is located at 21450 Gibraltar in Port Charlotte, will open initially on a part time basis but hopes to achieve a goal of operating 12 hours a day, 6 days a week. The clinic’s primary role is to provide healthcare services from general health check-ups to prescription medication free of charge to needy residents.

ST. VINCENT DEPAUL COMMUNITY HEALTH CLINIC

St. Vincent DePaul is joined by the Charlotte County community which has come together and is working as a team to save lives and improve the quality of life of the poor and uninsured. Churches, schools, civic groups, fraternal organizations, hospitals, businesses, foundations and individuals have all worked together to ensure that Charlotte County has a health clinic that can effectively serve its residents. This community has dedicated itself to restoring human dignity by reaching out to provide a helping hand.

The blessing of the facility will be coordinated by Father Arthur Schute, spiritual advisor at Peace Center Medical Center, and a ribbon cutting and dedication ceremony will take place at noon today.

Madam Speaker, please join me in commending the creation of the St. Vincent DePaul Community Health Clinic.

PERSONAL EXPLANATION

HON. ZOE LOFGREN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Ms. LOFGREN of California. Madam Speaker, due to an inoperable beeper, I unfortunately missed recorded votes No. 1142 and No. 1143 on Tuesday, December 11, 2007. Had I been present to vote, I would have voted “aye” on rollcall vote No. 1142 and “aye” on rollcall vote No. 1143.

PAYING TRIBUTE TO DAYNA LYNN AHERN

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise to honor the life and memory of my friend Dayna Lynn A hern, whose passion for life was an inspiration.

Dayna was a native of Las Vegas who was a student of fashion merchandising at the Fashion Institute in Las Vegas, Nevada. Prior to enrolling in the Fashion Institute, Dayna had earned an Associates Degree from the prestigious Le Cordon Blue College of Culinary Arts in Las Vegas.

Among Dayna’s many passions was traveling and music. These dual talents provided her with a number of unique opportunities, such as performing for the Pope at the Vatican and traveling with her high school choir to perform at various local events in Europe. Dayna was also an active member of her Church, and had a strong sense of spirituality.

Madam Speaker, I am proud to honor the life and legacy of my friend Dayna. On March 30, 2006, Dayna passed away but her spirit will live on as an inspiration for all who knew her. She will be greatly missed, but her legacy as a caring and motivated individual will live on.

HONORING THE LIFE OF BLYTHE ANN O’SULLIVAN

HON. PETER J. ROSKAM
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. ROSKAM. Madam Speaker, I am saddened to rise today to honor the life and service of an exceptional young Peace Corps Volunteer Blythe Ann O’Sullivan of Bloomington,
Illinois. On December 6, 2007, Blythe passed away while serving the people of the Republic of Suriname in South America.

After graduating from Bradley University, she decided to join the Peace Corps.

Blythe was sworn in as a Volunteer on August 3, 2006, after 4 months of intensive training. Leaving her loved ones and comfortable life in the United States behind, Blythe bravely took on the challenge of sharing her knowledge and expertise with the Brokopondo people.

As a small business and community development advisor, Blythe dedicated herself to improving the operations of a local water project and building a community center for the women in the village where she was staying.

While serving in Suriname, Blythe recognized how extraordinarily blessed we are in the United States, saying “I am so humbled by the challenges the Suriname villagers must conquer day after day. Here, each waking moment must be spent satisfying basic needs.”

Blythe’s dedication to improving the lives of others is an example for us all.

Blythe’s ready smile, compassionate care for the people of Suriname and efforts to bring them hope have affected countless lives. Blythe’s efforts will forever be a tribute to her life and service.

Madam Speaker, I wish to offer my deepest sympathies to Blythe’s parents, John and Joan, and the entire O’Sullivan family. They are in my thoughts and prayers during this difficult time.

Madam Speaker and Distinguished Colleagues, please join me in mourning the loss of an extraordinary young woman, Blythe Ann O’Sullivan.

PAYING TRIBUTE TO ROBERT CHESTO

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor Robert Chesto for his support of America’s fallen heroes.

Mr. Chesto has a long history of serving his community in Las Vegas, Nevada. He moved from Biloxi, Mississippi in 1955 and began the 4th grade at C.P. Squires Elementary School in Las Vegas. He then attended Tom Williams Elementary, J.D. Smith Middle School, and Rancho High School. After graduating from Rancho High School, Robert enrolled in the University of Nevada, Las Vegas majoring in Music. In 1970, after graduating from UNLV, Robert was drafted into the United States Army where he served on active duty in the Nevada Army National Guard until 1990. In 1976 he began teaching in the Clark County School District.

After retiring from the Army National Guard as a Captain, Robert went back to UNLV to pursue a degree in Education. In 2000, Robert began as Principal at his own high school, Rancho. As the Principal of Rancho High School, Robert is dedicated to honoring those who have served their country in the Armed Services. Rancho High School has become an “All American High School” with over 250 American flags decorating the school. Mr. Chesto has also dedicated himself to remembering Rancho’s history by incorporating a “Wall of Honor” for the 23 Rancho graduates who were killed in action during the Vietnam War.

Madam Speaker, I am proud to honor Robert Chesto. He has not only served his country in times of war, but also committed himself to the education of our youth. His continuing dedication to his country and to the remembrance of those who have fallen serves as an example to us all.

HON. JOHN M. SPRATT, JR.
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, December 11, 2007

Mr. SPRATT. Madam Speaker, I rise to call the attention of the House to Ola Copeland, an outstanding citizen of my district who recently passed away in Gaffney South Carolina, a place she called home for her entire life.

Mrs. Copeland was known best for 15 years of service on the Cherokee County Board of Education. She believed in education, and as a life-long citizen, knew Cherokee County well. Her colleagues recognized her ability, and elected her Chairwoman of the Cherokee County Board of Education, a post she held from 2003 until the day she died. During her tenure on the board, she chaired the Curriculum, Budget, and Special Needs Committees, served on the Maintenance, Property and Grounds Committee, and acted as the Board’s Parliamentarian and Legislative Contact.

Despite a lengthy battle with kidney disease, the disease that ultimately claimed her life, Mrs. Copeland worked tirelessly to ensure that Cherokee County students had the best in education. To accommodate her dialysis schedule, the Cherokee County School Board reset its meeting. Just as kidney disease did not stop her from being a life-long citizen, knew Cherokee County well. Her colleagues recognized her ability, and elected her Chairwoman of the Cherokee County Board of Education, a post she held from 2003 until the day she died. During her tenure on the board, she chaired the Curriculum, Budget, and Special Needs Committees, served on the Maintenance, Property and Grounds Committee, and acted as the Board’s Parliamentarian and Legislative Contact.

Despite a lengthy battle with kidney disease, the disease that ultimately claimed her life, Mrs. Copeland worked tirelessly to ensure that Cherokee County students had the best in education. To accommodate her dialysis schedule, the Cherokee County School Board reset its meeting. Just as kidney disease did not stop her from being a friendly and familiar face at school functions. The day before she was admitted to the hospital with her last illness, she attended the Gaffney High Homecoming Assembly.

Mrs. Copeland was deeply involved in her church, served on numerous boards, and was a member of various organizations that help make Cherokee County a better place. She was an organizer of Theta Beta Gamma Sorority, Inc. and a member of Alpha Kappa Alpha Sorority, Inc. As if serving on the county school board was not enough, she also served as an officer in the Rocky Mountain Red Hat Society, Friends of the Cherokee County Public Library, and on the board of Piedmont Community Action. She was involved in Communities in Schools, the Teenage Pregnancy Awareness Council, First Steps Board of Directors, and the Renaissance Committee at Gaffney High School.

Mrs. Copeland graduated from Granard High School and earned a business degree from Limestone College in Gaffney. She is survived by two sons, two daughters-in-law, and three grandchildren. Her life was cut short and she died before her time, but if we measure life not by how long we live, but by how well, Ola Copeland lived a long, full life. She left her community better than she found it, and left her fellow citizens a legacy of service and achievement, including her sterling example of what life in a democracy is all about.

PAYING TRIBUTE TO ROBERT P. ELLIS

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, December 12, 2007

Mr. PORTER. Madam Speaker, I rise today to honor my friend Robert P. Ellis and his dedication to the Southern Nevada community.

Robert “Bobby” Ellis is the President and CEO of B&E Auto Auction, an independently-owned salvage company. It was recently announced that B&E will sell their assets to a national company, a decision that should enhance their ability to serve customers’ needs in Nevada.

Bobby also founded the Coalition of Independent Salvage Pools of America in 2000, a partnership of independently owned salvage companies who make it their mission to provide reliable service, competitive pricing that benefits insurance companies, and commitment to their individual local communities and state.

Bobby proved his devotion to education by establishing the Robert and Sandy Ellis Scholarship Fund for students at Nevada State College in 2004. Robert and his wife believed that this scholarship endorsement would not only help students obtain a college education, but would help the future economic growth and development of Southern Nevada. In addition to his generous donations to educational institutions, Robert has truly embraced the spirit of philanthropy and has greatly contributed to his surrounding community.

Madam Speaker, I am proud to honor my dear friend Bobby P. Ellis. His steadfast loyalty to the state of Nevada is an example to us all, and I wish him continued success with all his future endeavors.
SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, December 13, 2007 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

DECEMBER 18

10 a.m.
Judiciary

Business meeting to consider the nominations of Ondray T. Harris, of Virginia, to be Director, Community Relations Service, David W. Hagy, of Texas, to be Director of the National Institute of Justice, Cynthia Dyer, of Texas, to be Director of the Violence Against Women Office, Department of Justice, and Nathan J. Hochman, of California, to be an Assistant Attorney General, all of the Department of Justice, and Scott M. Burns, of Utah, to be Deputy Director of National Drug Control Policy.

10:30 a.m.

Energy and Natural Resources

To hold hearings to examine the nomination of Jon Wellinghoff, of Nevada, to be a member of the Federal Energy Regulatory Commission.

3:30 p.m.

Homeland Security and Governmental Affairs

To hold hearings to examine the nomination of Steven H. Murdock, of Texas, to be Director of the Census, Department of Commerce.

DECEMBER 19

9:30 a.m.

Homeland Security and Governmental Affairs

Business meeting to consider the nominations of Harvey E. Johnson, Jr., of Virginia, to be Deputy Administrator and Chief Operating Officer, Federal Emergency Management Agency, and Jeffrey William Runge, of North Carolina, to be Assistant Secretary for Health Affairs and Chief Medical Officer, both of the Department of Homeland Security, and Steven H. Murdock, of Texas, to be Director of the Census, Department of Commerce.

10 a.m.

Judiciary

Business meeting to consider the nomination of Mark R. Filip, of Illinois, to be Deputy Attorney General, Department of Justice.

DECEMBER 20

2:30 p.m.

Commerce, Science, and Transportation

To hold hearings to examine the nominations of Robert A. Sturgell, of Maryland, to be Administrator of the Federal Aviation Administration, and Simon Charles Gros, of New Jersey, to be an Assistant Secretary, both of the Department of Transportation.

S–407, Capitol
Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S15157–S15378

Measures Introduced: Eleven bills and two resolutions were introduced, as follows: S. 2452–2462, and S. Res. 402–403. Pages S15233–34

Measures Reported:


S. 1429, to amend the Safe Drinking Water Act to reauthorize the provision of technical assistance to small public water systems, with an amendment. (S. Rept. No. 110–242)

Report to accompany S. 1785, to amend the Clean Air Act to establish deadlines by which the Administrator of the Environmental Protection Agency shall issue a decision on whether to grant certain waivers of preemption under that Act. (S. Rept. No. 110–243)

S. 781, to extend the authority of the Federal Trade Commission to collect Do-Not-Call Registry fees to fiscal years after fiscal year 2007, with an amendment in the nature of a substitute. (S. Rept. No. 110–244)

S. 1965, to protect children from cybercrimes, including crimes by online predators, to enhance efforts to identify and eliminate child pornography, and to help parents shield their children from material that is inappropriate for minors, with amendments. (S. Rept. No. 110–245)

S. 2096, to amend the Do-Not-Call Implementation Act to eliminate the automatic removal of telephone numbers registered on the Federal “do-not-call” registry, with an amendment in the nature of a substitute. (S. Rept. No. 110–246)

S. 2004, to amend title 38, United States Code, to establish epilepsy centers of excellence in the Veterans Health Administration of the Department of Veterans Affairs. (S. Rept. No. 110–247)

S. 911, to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers, with an amendment in the nature of a substitute.

S. 1916, to amend the Public Health Service Act to modify the program for the sanctuary system for surplus chimpanzees by terminating the authority for the removal of chimpanzees from the system for research purposes, with an amendment in the nature of a substitute. Page S15233

Measures Passed:

Boys Town 90th Anniversary Celebration: Senate agreed to S. Res. 403, congratulating Boys Town on its 90th anniversary celebration. Pages S15372–73

National Capital Region Mutual Aid Agreements: Senate passed S. 1245, to reform mutual aid agreements for the National Capital Region. Page S15373

Fair Treatment for Experienced Pilots Act: Senate passed H.R. 4343, to amend title 49, United States Code, to modify age standards for pilots engaged in commercial aviation operations, clearing the measure for the President. Page S15373

Sudan Accountability and Divestment Act: Senate passed S. 2271, to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies, after agreeing to the following amendment proposed thereto:

Harkin (for Dodd/Shelby) Amendment No. 3846, of a perfecting nature. Page S15375

Heroes Earnings Assistance and Relief Tax Act: Senate passed H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, after agreeing to the following amendments proposed thereto:

Harkin (for Baucus/Grassley) Amendment No. 3847, to amend the Internal Revenue Code of 1986 to provide tax relief and protections to military personnel. Page S15378

Harkin (for Baucus) Amendment No. 3848, to amend the title.
A unanimous-consent agreement was reached providing that if Senate receives from the House of Representatives a message on H.R. 3997 with an amendment that is not germane to the Senate amendment, or the underlying bill, that the bill and its amendments be referred to the Committee on Finance.

**Measures Considered:**

**Farm Bill Extension Act:** Senate continued consideration of H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, taking action on the following amendments proposed thereto:

- Adopted: 
  - Reid (for McConnell) Amendment No. 3803 (to Amendment No. 3500), to amend the Internal Revenue Code of 1986 to provide for the tax treatment of horses.
  - Harkin (for Kennedy/Durbin) Amendment No. 3845 (to Amendment No. 3539), of a perfecting nature.
  - Salazar (for Durbin) Amendment No. 3539 (to Amendment No. 3500), to provide a termination date for the conduct of certain inspections and the issuance of certain regulations.

- Rejected:
  - By 37 yeas to 58 nays (Vote No. 418), Thune (for Gregg) Amendment No. 3671 (to Amendment No. 3500), to strike the section requiring the establishment of a Farm and Ranch Stress Assistance Network.
  - By 39 yeas to 56 nays (Vote No. 419), Thune (for Gregg) Amendment No. 3672 (to Amendment No. 3500), to strike a provision relating to market loss assistance for asparagus producers.
  - By 19 yeas to 75 nays (Vote No. 420), Thune (for Alexander) Amendment No. 3551 (to Amendment No. 3500), to increase funding for the Initiative for Future Agriculture and Food Systems, with an offset.
  - By 14 yeas to 79 nays (Vote No. 421), Thune (for Alexander) Amendment No. 3553 (to Amendment No. 3500), to limit the tax credit for small wind energy property expenditures to property placed in service in connection with a farm or rural small business.

- By 35 yeas to 58 nays (Vote No. 423), Thune (for Sessions) Modified Amendment No. 3596 (to Amendment No. 3500), to amend the Internal Revenue Code of 1986 to establish a pilot program under which agricultural producers may establish and contribute to tax-exempt farm savings accounts in lieu of obtaining federally subsidized crop insurance or noninsured crop assistance, to provide for contributions to such accounts by the Secretary of Agriculture, to specify the situations in which amounts may be paid to producers from such accounts, and to limit the total amount of such distributions to a producer during a taxable year.

- Withdrawn:
  - Gregg Amendment No. 3825 (to Amendment No. 3673), to change the enactment date.

- By 41 yeas to 53 nays (Vote No. 422), Thune (for Gregg) Amendment No. 3673 (to Amendment No. 3500), to improve women’s access to health care services in rural areas and provide improved medical care by reducing the excessive burden the liability system places on the delivery of obstetrical and gynecological services. (A unanimous-consent agreement was reached providing that the amendment, having failed to achieve 60 affirmative votes, be withdrawn).

- Chambliss (for Coburn) Amendment No. 3632 (to Amendment No. 3500), to modify a provision relating to the Environmental Quality Incentive Program.

- Pending:
  - Harkin Amendment No. 3500, in the nature of a substitute.
  - Harkin (for Dorgan/Grassley) Modified Amendment No. 3695 (to Amendment No. 3500), to strengthen payment limitations and direct the savings to increase funding for certain programs.
  - Brown Amendment No. 3819 (to Amendment No. 3500), to increase funding for critical Farm Bill programs and improve crop insurance.
  - Klobuchar Amendment No. 3810 (to Amendment No. 3500), to improve the adjusted gross income limitation and use the savings to provide additional funding for certain programs and reduce the Federal deficit.
  - Chambliss (for Cornyn) Amendment No. 3687 (to Amendment No. 3500), to prevent duplicative payments for agricultural disaster assistance already covered by the Agricultural Disaster Relief Trust Fund.

- Chambliss (for Coburn) Modified Amendment No. 3807 (to Amendment No. 3500), to ensure the priority of the farm bill remains farmers by eliminating wasteful Department of Agriculture spending on golf courses, junkets, cheese centers, and aging barns.

- Chambliss (for Coburn) Amendment No. 3530 (to Amendment No. 3500), to limit the distribution to deceased individuals, and estates of those individuals, of certain agricultural payments.

- Salazar Amendment No. 3616 (to Amendment No. 3500), to amend the Internal Revenue Code of...
to low-income families and senior citizens for the $1,000,000,000 in critical home heating assistance provision nearly 1986 to provide incentives for the production of all cellulosic biofuels.

Page S15179

Thune (for McConnell) Amendment No. 3821 (to Amendment No. 3500), to promote the nutritional health of school children, with an offset.

Page S15179

Craig Amendment No. 3640 (to Amendment No. 3500), to prohibit the involuntary acquisition of farmland and grazing land by Federal, State, and local governments for parks, open space, or similar purposes.

Page S15179

Thune (for Roberts/Brownback) Amendment No. 3549 (to Amendment No. 3500), to modify a provision relating to regulations.

Page S15179

Domenici Amendment No. 3614 (to Amendment No. 3500), to reduce our Nation’s dependency foreign oil by investing in clean, renewable, and alternative energy resources.

Page S15179

Thune (for Gregg) Amendment No. 3674 (to Amendment No. 3500), to amend the Internal Revenue Code of 1986 to exclude charges of indebtedness on principal residences from gross income.

Page S15179

Thune (for Gregg) Amendment No. 3822 (to Amendment No. 3500), to provide nearly $1,000,000,000 in critical home heating assistance to low-income families and senior citizens for the 2007–2008 winter season, and reduce the Federal deficit by eliminating wasteful farm subsidies.

Pages S15179, S15195–S15203

Thune (for Grassley/Kohl) Amendment No. 3823 (to Amendment No. 3500), to provide for the review of agricultural mergers and acquisitions by the Department of Justice.

Page S15179

Thune (for Stevens) Amendment No. 3569 (to Amendment No. 3500), to make commercial fishermen eligible for certain operating loans.

Page S15179

Thune (for Bond) Amendment No. 3771 (to Amendment No. 3500), to amend title 7, United States Code, to include provisions relating to rule-making.

Page S15179

Tester Amendment No. 3666 (to Amendment No. 3500), to modify the provision relating to unlawful practices under the Packers and Stockyards Act.

Page S15179

Schumer Amendment No. 3720 (to Amendment No. 3500), to improve crop insurance and use resulting savings to increase funding for certain conservation programs.

Page S15179

Sanders Amendment No. 3826 (to Amendment No. 3822), to provide for payments under subsections (a) through (e) of section 2604 of the Low-Income Home Energy Assistance Act of 1981, and restore supplemental agricultural disaster assistance from the Agricultural Disaster Relief Trust Fund.

Page S15179

Wyden Amendment No. 3736 (to Amendment No. 3500), to modify a provision relating to bio-energy crop transition assistance.

Page S15179

Harkin/Kennedy Amendment 3830 (to Amendment No. 3500), relative to public safety officers.

Pages S15179, S15222

Harkin/Murkowski Amendment No. 3639 (to Amendment No. 3500), to improve nutrition standards for foods and beverages sold in schools.

Page S15183

Harkin Amendment No. 3844 (to Amendment No. 3830), relative to public safety officers.

Page S15223

A unanimous-consent agreement was reached providing for further consideration of the bill at 8:30 a.m., on Thursday, December 13, 2007, with the time until 9:15 a.m., be equally divided and controlled for debate only between the two Leaders, or their designees, and that Senate vote on Harkin (for Dorgan/Grassley) Modified Amendment No. 3695 (to Amendment No. 3500).

Page S15378

Renewable Fuels, Consumer Protection, and Energy Efficiency Act—House Message: Senate resumed consideration of the House amendments to the Senate amendments to accompany H.R. 6, to move the United States toward greater energy independence and security, to increase the production of clean renewable fuels, to protect consumers from price gouging, to increase the energy efficiency of products, buildings, and vehicles, to promote research on and deploy greenhouse gas capture and storage options, and to improve the energy performance of the Federal Government, taking action on the following amendments proposed thereto:

Page S15218

Pending:

Senator Reid motion to concur in the amendments of the House to the Senate amendments to the bill.

Page S15218

Senator Reid entered a motion to concur in the amendment of the House to the Senate amendment to the text.

Page S15218

Reid Amendment No. 3841 (to the House amendment to the Senate amendment to the text), in the nature of a substitute.

Page S15218

Reid Amendment No. 3842 (to Amendment No. 3841), to change the enactment date.

Page S15218

A motion was entered to close further debate on the motion to concur in the House amendment to the Senate amendment to the text with an amendment with reference to the bill, and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, and pursuant to the unanimous-consent agreement of Tuesday, December 11, 2007, a vote on cloture will occur on Thursday, December 13, 2007, upon disposition of Harkin (for Dorgan/
Grassley) Modified Amendment No. 3695 (to Amendment No. 3500), following 2 minutes of debate.

Appointments:

**Congressional Award Board:** The Chair, on behalf of the Majority Leader, pursuant to Public Law 96–114, as amended, appointed the following individual to the Congressional Award Board: Patrick Murphy of Washington, D.C.

And reappointed the following individual to the Congressional Award Board: Andrew Ortiz of Arizona.

**China Economic Security Review Commission:** The Chair, on behalf of the Majority Leader, and after consultation with the ranking members of the Senate Committee on Armed Services and the Senate Committee on Finance, pursuant to Public Law 106–398, appointed the following individual as a member of the United States-China Economic Security Review Commission: Patrick A. Mulloy of Virginia for a term beginning January 1, 2008 and expiring December 31, 2009, vice C. Richard D'Amato of Maryland,


Nominations Received: Senate received the following nominations:

Marcia Stephens Bloom Bernicat, of New Jersey, to be Ambassador to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador to the Republic of Guinea-Bissau.

Robert F. Cohen, Jr., of West Virginia, to be a Member of the Federal Mine Safety and Health Review Commission for a term of six years expiring August 30, 2012.

Harvey E. Johnson, Jr., of Virginia, to be Deputy Administrator, Federal Emergency Management Agency, Department of Homeland Security.

Nomination Withdrawn: Senate received notification of withdrawal of the following nomination:

Harvey E. Johnson, Jr., of Virginia, to be Deputy Administrator and Chief Operating Officer, Federal Emergency Management Agency, Department of Homeland Security, which was sent to the Senate on September 7, 2007.

Messages from the House: Pages S15231–32

Measures Referred: Pages S15232, S15378

Executive Communications: Pages S15232–33

Petitions and Memorials: Page S15233

Additional Cosponsors: Pages S15234–35

Statements on Introduced Bills/Resolutions: Pages S15235–52

Additional Statements: Pages S15228–31

Amendments Submitted: Pages S15252–S15372

Notices of Hearings/Meetings: Pages S15372

Authorities for Committees to Meet: Page S15372

Privileges of the Floor: Page S15372

Record Votes: Six record votes were taken today. (Total—423) Pages S15182, S15216–17, S15222

Adjournment: Senate convened at 9 a.m. and adjourned at 9:39 p.m., until 8:30 a.m. on Thursday, December 13, 2007. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S15378.)

Committee Meetings

(Committees not listed did not meet)

**NORTH KOREA**

Committee on Foreign Relations: Committee met in closed session to receive a briefing to examine North Korea, focusing on the six-party talks, from Christopher R. Hill, Assistant Secretary of State for the Bureau of East Asian and Pacific Affairs.

**NOMINATIONS**

Committee on Homeland Security and Governmental Affairs: Committee concluded a hearing to examine the nominations of Harvey E. Johnson, Jr., of Virginia, to be Deputy Administrator and Chief Operating Officer, Federal Emergency Management Agency, and Jeffrey William Runge, of North Carolina, to be Assistant Secretary for Health Affairs and Chief Medical Officer, who was introduced by Senator Burr, both of the Department of Homeland Security, after the nominees testified and answered questions in their own behalf.

**ARBITRATION FAIRNESS ACT**

Committee on the Judiciary: Subcommittee on the Constitution concluded a hearing to examine S. 1782, to amend chapter 1 of title 9 of United States Code with respect to arbitration, after receiving testimony from Tanya Solov, Office of the Secretary of State, Securities Department, Springfield, Illinois, on behalf of the North American Securities Administrators Association; Mark A. de Bernardo, Jackson Lewis,
LLP, Vienna, Virginia; Richard M. Alderman, University of Houston Law Center Consumer Law Center, Houston, Texas; Richard Naimark, American Arbitration Association (AAA), Peter B. Rutledge, Catholic University of America Columbus School of Law, and F. Paul Bland, Jr., Public Justice, all of Washington, D.C.; and Fonza Luke, Birmingham, Alabama.

SMITHSONIAN INSTITUTION

Committee on Rules and Administration: Committee concluded a hearing to examine a recently released Government Accountability Office report, focusing on funding challenges and facilities maintenance issues at the Smithsonian Institution, and the Smithsonian’s real property management efforts and its efforts to develop and implement strategies to fund its facilities projects, after receiving testimony from Mark L. Goldstein, Director, Physical Infrastructure Issues, Government Accountability Office; and Cristian Samper, Acting Secretary, and Roger W. Sant, Chairman, Executive Committee, and Robert P. Kogod, Chairman, Facilities Revitalization Committee, both of the Board of Regents, all of the Smithsonian Institution.

REVERSE MORTGAGES

Special Committee on Aging: Committee concluded a hearing to examine reverse mortgages, focusing on the Federal Housing Administration’s Home Equity Conversion Mortgage (HECM) program, after receiving testimony from Meg Burns, Director, Federal Housing Administration (FHA) Single Family Program Development, Department of Housing and Urban Development; Prescott Cole, Coalition to End Elder Financial Abuse (CEASE), San Francisco, California; Donald L. Redfoot, American Association of Retired Persons (AARP) Public Policy Institute, Billings, Montana; George B. Lopez, James B. Nutter and Company, Kansas City, Missouri; and Carol Anthony, King City, California.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 63 public bills, H.R. 4457–4519; 4 private bills, H.R. 4520–4523; and 5 resolutions, H.J. Res. 69; H. Con. Res. 269; and H. Res. 870–872, were introduced.

Additional Cosponsors:

Reports Filed: H.R. 2537, to amend the Federal Water Pollution Control Act relating to beach monitoring, and for other purposes (H. Rept. 110–491); and H. Res. 869, providing for consideration of (H.J. Res. 69) making further continuing appropriations for the fiscal year 2008, and for other purposes (H. Rept. 110–492)

Chaplain: The prayer was offered by the guest Chaplain, Bishop Earl J. Wright, Sr., Greater Miller Memorial Church of God in Christ, Warren, Michigan.

National Defense Authorization Act for Fiscal Year 2008: The House agreed to the conference report to accompany the bill (H.R. 1585) to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, by a yea-and-nay vote of 370 yeas to 49 nays, Roll No. 1151.

Pursuant to the rule, the managers on the part of the House on H.R. 3093 are discharged and the bill is laid on the table.

H. Res. 860, the rule providing for consideration of the conference report, was agreed to by voice vote, after agreeing to order the previous question by a yea-and-nay vote of 226 yeas to 191 nays, Roll No. 1146.

Directing the Clerk of the House of Representatives to correct the enrollment of H.R. 1585: The House agreed by unanimous consent to H. Con. Res. 269, to direct the Clerk of the House of Representatives to correct the enrollment of H.R. 1585.

Committee Resignation: Read a letter from Representative Hastings of Florida, wherein he resigned from the House Permanent Select Committee on Intelligence, effective today.

Terrorism Risk Insurance Program Reauthorization: The House passed H.R. 4299, to extend the Terrorism Risk Insurance Program of the Department of
the Treasury, by a recorded vote of 303 ayes to 116 noes, Roll No. 1150. Pages H15354–68

Rejected the Baccus motion to recommit the bill to the Committee on Financial Services with instructions to report the same back to the House forthwith with an amendment, by a yea-and-nay vote of 173 yeas to 246 nays, Roll No. 1149. Pages H15365–67

H. Res. 862, the rule providing for consideration of the bill, H.R. 4299, was agreed to by a yea-and-nay vote of 223 yeas to 189 nays, Roll No. 1145. Pages H15334–39

AMT Relief Act of 2007: The House passed H.R. 4351, to amend the Internal Revenue Code of 1986 to provide individuals temporary relief from the alternative minimum tax, by a yea-and-nay vote of 226 yeas to 193 nays, Roll No.1153. Pages H15368–82

Point of Order sustained against: McCrery motion to recommit the bill to the Committee on Ways and Means to report the same back to the House forthwith with an amendment. Pages H15380–81

Agreed to table the McCrery motion to appeal the ruling of the Chair by a yea-and-nay vote of 225 yeas to 191 nays, Roll No. 1152. Page H15381

H. Res. 861, the rule providing for consideration of the conference report, was agreed to by a yea-and-nay vote of 225 yeas to 191 nays, Roll No. 1148, after agreeing to order the previous question by a yea-and-nay vote of 222 yeas to 193 nays, Roll No. 1147. Pages H15327–34, H15340–41

Presidential Veto Message—Children’s Health Insurance Program Reauthorization Act of 2007: Read a message from the President wherein he announced his veto of H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children’s Health Insurance Program, and explained his reasons therefor—ordered printed (H. Doc. 110–80). Pages H15382–91

Subsequently, the House agreed to the Hoyer motion to postpone further consideration of the veto message and bill until Wednesday, January 23, 2008, by a yea-and-nay vote of 211 yeas to 180 nays, Roll No. 1154. Pages H15383–91

Suspensions: The House agreed to suspend the rules and pass the following measure:

Over-the-Road Bus Transportation Accessibility Act of 2007: H.R. 3985, to amend title 49, United States Code, to direct the Secretary of Transportation to register a person providing transportation by an over-the-road bus as a motor carrier of passengers only if the person is willing and able to comply with certain accessibility requirements in addition to other existing requirements, by a 2/3 yea-and-nay vote of 211 yeas to 180 nays, Roll No. 1155. Pages H15391–92

Board of Trustees of the Congressional Hunger Fellows Program: The Chair announced the Speaker’s appointment of the following members to the Board of Trustees of the Congressional Hunger Fellows Program: Mr. James P. McGovern, Worcester, Massachusetts and Jo Ann Emerson, Cape Girardeau, Missouri. Page H15392

Senate Message: Messages received from the Senate today appear on page H15320.

Senate Referrals: S. 793 was referred to Energy and Commerce. Page H15407


Adjournment: The House met at 10 a.m. and adjourned at 10:53 p.m.

Committee Meetings

MISCELLANEOUS MEASURES

Committee on Agriculture: Ordered reported the following measures: as amended, the CFTU Reauthorization Act of 2007; H.J. Res. 15, Recognizing the contributions of the Christmas tree industry to the United States economy; H.R. 1374, To amend the Florida National Forest Land Management Act of 2003 to authorize the conveyance of an additional tract of National Forest System land under that Act, and for other purposes; and H.R. 3454, To provide for the conveyance of a small parcel of National Forest System land in the George Washington National Forest in Alleghany County, Virginia, that contains the cemetery of the Central Advent Christian Church and an adjoining tract of land located between the cemetery and road boundaries.

BASE CLOSURE DECISIONS IMPLEMENTATION

Committee on Armed Services: Subcommittee on Readiness held a hearing on implementation of the Base Realignment and Closure 2005 decisions. Testimony was heard from Philip Grone, Deputy Under Secretary, Installations and Environment, Department of Defense; Brian Lepore, Director, Defense Capabilities...
Assessment, GAO; Anthony Brown, Lt. Gov., State of Maryland; and public witnesses.

ENERGY SPECULATION AND PRICE MANIPULATION

Committee on Energy and Commerce: Subcommittee on Oversight and Investigation held a hearing entitled “Energy Speculation: Is Greater Regulation Necessary to Stop Price Manipulation?” Testimony was heard from Joseph T. Kelliher, Chairman, FERC; Walter Lukken, Acting Chairman, CFTC; and public witnesses.

FINANCIAL CONSUMER HOTLINE

Committee on Financial Services: Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled “The Financial Consumer Hotline Act of 2007: Providing Consumers with Easy Access to the Appropriate Banking Regulator.” Testimony was heard from the following officials of the Department of the Treasury: John Walsh, Chief of Staff and Public Affairs, Office of the Comptroller of the Currency; and Cassandra McConnell, Director, Consumer and Community Affairs, Office of Thrift Supervision; Sandra Braunstein, Director, Division of Supervision and Consumer Protection, FDIC; Leonard Skiles, Executive Director, National Credit Union Administration; Richard Neiman, Superintendent of Banks, Banking Department, State of New York; and public witnesses.

U.S. ASSISTANCE TO PALESTINIANS

Committee on Foreign Affairs: Subcommittee on the Middle East and South Asia held a hearing on Connecting the Money to the Mission: The Past, Present, and Future of U.S. Assistance to the Palestinians. Testimony was heard from the following officials of the Department of State: Robert M. Danin, Deputy Assistant Secretary, Bureau of Near Eastern Affairs; Charles R. Snyder, Acting Deputy Assistant Secretary, Civilian Police and African, Asian, and European Programs, Bureau of International Narcotics and Law Enforcement; and Mark Ward, Senior Deputy Assistant Administrator, Bureau for Asia and the Near East, U.S. Agency for International Development.

CHEMICAL FACILITY ANTI-TERRORISM ACT OF 2008

Committee on Homeland Security: Subcommittee on Transportation Security and Infrastructure Protection held a hearing on the Chemical Facility Anti-Terrorism Act of 2008. Testimony was heard from Bob Stephan, Assistant Secretary, Infrastructure Protection, Department of Homeland Security; Gary Sondermeyer, Director of Operations, Department of Environmental Protection, State of New Jersey; and public witnesses.

MISCELLANEOUS MEASURES


OVERSIGHT—FEES FOR FILMING AND PHOTOGRAPHY ON PUBLIC LANDS

Committee on Natural Resources: Held an oversight hearing on New Fees for Filming and Photography on Public Lands. Testimony was heard from Mitch Butler, Deputy Assistant Secretary, Fish and Wildlife and Parks, Department of the Interior; Leslie Weldon, External Affairs Officer, Office of the Chief, Forest Service, USDA; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Oversight and Government Reform: Ordered reported the following measures: H.R. 4220, amended, Federal Food Donation Act of 2007; H.R. 3468, To designate the facility of the United States Postal Service located at 1704 Weeksville Road in Elizabeth City, North Carolina, as the “Dr. Cliford Bell Jones, Sr. Post Office;” H.R. 3720, To designate the facility of the United States Postal Service located at 424 Clay Avenue in Waco, Texas as the “Army PFC Juan Alonso Covarrubias Post Office Building;” H.R. 3721, To designate the facility of the United States Postal Service located at 1190 Lorena Road in Lorena, Texas, as the “Marine Gunny Sgt. John D. Fry Post Office Building;” H.R. 3803, To designate the facility of the United States Postal Service located at 3100 Cashwell Drive in Goldsboro, North Carolina, as the “John Henry Wooten, Sr. Post Office Building;” H.R. 3911, To designate the facility of the United States Postal Service located at 95 Church Street in Jessup, Pennsylvania, as the “Lance Corporal Dennis James Veater Post Office;” H.R. 3988, To designate the facility of the United States Postal Service located at 3701 Altamesa Boulevard in Fort Worth, Texas, as the “Master Sergeant Kenneth N. Mack Post Office Building;” H.R. 4210, To designate the facility of the United States Postal Service
located at 401 Washington Avenue in Weldon, North Carolina, as the “Dock M. Brown Post Office Building”; H.R. 4211, To designate the facility of the United States Postal Service located at 725 Roanoke Avenue in Roanoke Rapids, North Carolina, as the “Judge Richard B. Allsbrook Post Office;” H.R. 4240, To designate the facility of the United States Postal Service located at 10799 West Alameda Avenue in Lakewood, Colorado, as the “Felix Sparks Post Office Building;” H.R. 4342, To designate the facility of the United States Postal Service located at 824 Manatee Avenue in West Bradenton, Florida, as the “Dan Miller Post Office Building;” S. 2110, To designate the facility of the United States Postal Service located at 427 North Street in Taft, California, as the “Larry S. Pierce Post Office;” S. 2174, To designate the facility of the United States Postal Service located at 175 South Monroe Street in Tiffin, Ohio, as the “Paul E. Gillmor Post Office Building;” H. Con. Res. 198, amended, Expressing the sense of Congress that the United States has a moral responsibility to meet the needs of those persons, groups and communities that are impoverished, disadvantaged or otherwise in poverty; H. Con. Res. 254, Recognizing and celebrating the centennial of Oklahoma statehood; and H. Res. 816, amended, Congratulating the Colorado Rockies on winning the National League Championship and playing in the World Series.

The Committee also approved a Committee report entitled “Political Interference with Global Change Science under the Bush Administration.”

ENVIRONMENTAL RISKS OF WATER BOTTLING

Committee on Oversight and Government Reform: Subcommittee on Domestic Policy held a hearing on Assessing the Environmental Risks of the Water Bottling Industry’s Extraction of Groundwater. Testimony was heard from public witnesses.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2008

Committee on Rules: Granted, by a voice vote, a closed rule providing one hour of debate in the House on H.J. Res. 69, making further continuing appropriations for the fiscal year 2008, and for other purposes, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The rule waives all points of order against consideration of the joint resolution (except for clause 9 or 10 of Rule XXI). The rule waives all points of order against provisions of the joint resolution. The rule also provides that the joint resolution shall be considered as read. The rule provides one motion to re-commit with or without instructions.

The rule provides that the Chair may postpone further consideration of the joint resolution to a time designated by the Speaker. The rule directs the Chairman of the Committee on Appropriations to insert in the Congressional Record at any time during the remainder of the first session of the 110th Congress such material as he may deem explanatory of appropriations measures for the fiscal year. Finally, the rule tables H. Res. 839 and H. Res. 850.

SARBANES-OXLEY AND FINANCIAL REPORTING

Committee on Small Business: Held a hearing entitled “Sarbanes-Oxley Section 404: New Evidence on the Cost for Small Companies.” Testimony was heard from Christopher Cox, Chairman, SEC; and public witnesses.

LOCAL BUSINESS OPPORTUNITIES NEAR NEW DEPARTMENT OF HOMELAND SECURITY

Committee on Transportation and Infrastructure: Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing on the New DHS Headquarters at St. Elizabeths: Local Business Opportunities. Testimony was heard from the following officials of the GSA: David Winstead, Commissioner, Public Building Service; and Dawud Abdur-Rahman, Director, Portfolio Management Division—National Capital Region; RADM Earl Gay, USN, Commandant, Naval District Washington, Washington Navy Yard; Department of the Navy; and public witnesses.

VETERANS’ MENTAL HEALTH CARE

Committee on Veterans’ Affairs: Held a hearing on Stopping Suicides: Mental Health Challenges Within the Department of Veterans Affairs. Testimony was heard from the following officials of the Department of Veterans Affairs: Michael Shepherd, M.D., Physician, Office of Healthcare Inspections, Office of the Inspector General; Ira Katz, M.D., Deputy Chief, Patient Care Services, Office of Mental Health, Veterans Health Administration; and Kara Zivin, Research Investigator, Serious Mental Illness Treatment Research and Evaluation Center; representatives of veterans organizations; and public witnesses.
OUTPATIENT WAITING TIMES

Committee on Veterans Affairs: Subcommittee on Oversight and Investigations and the Subcommittee on Health held a joint hearing on Outpatient Waiting Times. Testimony was heard from the following officials of the Department of Veterans Affairs: Belinda Finn, Assistant Inspector General, Audits; Gerald M. Cross, M.D., Principal Deputy Under Secretary, Health; and Paul Tibbitts, M.D., Deputy Chief Information Officer, Office of Enterprise Development, Office of Information and Technology; and public witnesses.

BRIEFING—CIA TAPES

Permanent Select Committee on Intelligence: Met in executive session to receive a briefing on CIA Tapes. The Committee was briefed by Michael V. Hayden, Director, CIA.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, p. D1589)

H.R. 1429, to reauthorize the Head Start Act, to improve program quality, to expand access. Signed on December 12, 2007. (Public Law 110–134)

COMMITTEE MEETINGS FOR THURSDAY, DECEMBER 13, 2007

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Banking, Housing, and Urban Affairs: to hold hearings to examine shopping smart and avoiding scams, focusing on financial literacy during the holiday season, 10:30 a.m., SD–538.

Committee on Commerce, Science, and Transportation: to hold an oversight hearing to examine the Federal Communications Commission (FCC), 10 a.m., SR–253.

Committee on Energy and Natural Resources: Subcommittee on Public Lands and Forests, to hold hearings to examine forest restoration and hazardous fuels reduction efforts in the forests of Oregon and Washington, 2:30 p.m., SD–366.

Committee on Environment and Public Works: to hold hearings to examine the Clean Water Act (Public Law 92–500), focusing on the Supreme Court decisions in Solid Waste Agency of Northern Cook County and Rapanos-Carabell, 9 a.m., SD–406.

Committee on Finance: to hold hearings to examine the housing decline, focusing on the extent of the problem and potential remedies, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine perspectives on the next phase of the global fight against HIV/AIDS, tuberculosis, and malaria, 2:30 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: Subcommittee on Employment and Workplace Safety, to hold joint hearings with the House Committee on Education and Labor Subcommittee on Health, Employment, Labor and Pensions to examine the National Labor Relations Board, focusing on decisions and their impact on worker’s rights, 10 a.m., 2175–RHOB.

Committee on Homeland Security and Governmental Affairs: Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, to hold hearings to examine prioritizing management, focusing on implementing chief management officers at federal agencies, 10 a.m., SD–342.

Committee on the Judiciary: to hold hearings to examine S. 344, to permit the televising of Supreme Court proceedings, S. 2402, to provide for the substitution of the United States in certain civil actions, S. 1638, to adjust the salaries of Federal justices and judges, S. 1829, to re-authorize programs under the Missing Children’s Assistance Act, S. 431, to require convicted sex offenders to register online identifiers, S. 2344, to create a competitive grant program to provide for age-appropriate Internet education for children, S. 352, to provide for media coverage of Federal court proceedings, S. Res. 388, designating the week of February 4 through February 8, 2008, as “National Teen Dating Violence Awareness and Prevention Week”, and S. Res. 396, expressing the sense of the Senate that the hanging of nooses for the purpose of intimidation should be thoroughly investigated by Federal, State, and local law enforcement authorities and that any criminal violations should be vigorously prosecuted, 10 a.m., SD–226.

Committee on Veterans’ Affairs: business meeting to consider the nomination of James B. Peake, of the District of Columbia, to be Secretary of Veterans Affairs, Time to be announced, Room to be announced.

Select Committee on Intelligence: to hold closed hearings to examine certain intelligence matters, 3 p.m., SH–219.

House

Committee on Appropriations, Select Intelligence Oversight Panel, executive, hearing on CIA Interrogation Program, 1 p.m., H–140 Capitol.

Committee on Armed Services, hearing on global maritime strategy initiatives, 10 a.m., 2118 Rayburn.

Committee on the Budget, hearing on CBO’s Long-Term Budget Outlook, 10 a.m., 210 Cannon.

Committee on Energy and Commerce, to mark up the following bills: H.R. 4040, Consumer Product Safety Modernization Act; and H.R. 1216, Cameron Gulbransen Kids and Cars Safety Act; and to consider pending Committee business, 10 a.m., 2123 Rayburn.

Committee on the Judiciary, Subcommittee on Courts, The Internet, and Intellectual Property, hearing on H.R.
4279, Prioritizing Resources and Organization for Intellectual Property Act of 2007, 10 a.m., 2141 Rayburn.


Committee on Oversight and Government Reform, hearing on Assessing Veterans' Charities, 10 a.m., 2154 Rayburn.

Committee on Small Business, to mark up H.R. 4458, Small Business Regulatory Improvement Act, 10 a.m., 2360 Rayburn.

Permanent Select Committee on Intelligence, executive, hearing on Latin America: Destabilizing Effects of the Drug Trade, 9 a.m., H–405 Capitol.

Subcommittee on Intelligence Community Management, hearing on Security Clearance Reform, 1 p.m., 311 Cannon.

Joint Meetings

Joint Hearing: Senate Committee on Health, Education, Labor, and Pensions, Subcommittee on Employment and Workplace Safety, to hold joint hearings with the House Committee on Education and Labor Subcommittee on Health, Employment, Labor and Pensions to examine the National Labor Relations Board, focusing on decisions and their impact on worker's rights, 10 a.m., 2175–RHOB.

Commission on Security and Cooperation in Europe: to hold hearings to examine freedom of the media in the Organization for Security and Co-operation in Europe (OSCE) region, 10 a.m., B318–RHOB.
Next Meeting of the SENATE
8:30 a.m., Thursday, December 13

Senate Chamber

Program for Thursday: Senate will continue consideration of H.R. 2419, Farm Bill Extension Act, and after a period of debate, vote on or in relation to the Harkin (for Dorgan/Grassley) Modified Amendment No. 3695 (to Amendment No. 3500); following which, Senate will vote on the motion to close further debate on the motion to concur in the House amendment to the Senate amendment to the text of H.R. 6, CLEAN Energy Act.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, December 13

House Chamber


Extensions of Remarks, as inserted in this issue

Hinojosa, Rubén, Tex., E2556
Higgins, Brian, N.Y., E2545, E2547, E2548, E2549
Graves, Sam, Mo., E2550, E2557
Duncan, John J., Jr., Tenn., E2554
Davis, David, Tenn., E2550
Conyers, John, Jr., Mich., E2545
Cummings, Elijah E., Md., E2546, R2548
Davis, David, Tenn., E2550
Duncan, John J., Jr., Tenn., E2554
Graves, Sam, Mo., E2550, E2557
Hinojosa, Rubén, Tex., E2556
Johnson, Timothy V., Ill., E2551
Kucinich, Dennis J., Ohio, E2546, R2547
Latham, Tom, Iowa, E2553, E2553, E2554, E2556, E2557
Lezama, Roy, Colo., E2547
Lofgren, Zoe, Calif., E2558
McCollum, Betty, Minn., E2552
Mack, Connie, Fla., E2558
Mahoney, Tim, Fla., E2558
Miller, Jeff, Fla., E2551
Paul, Ron, Tex., E2546, R2548
Peterson, Collin C., Minn., E2552
Porter, Jon C., Nev., E2555, E2555, E2556, E2557, E2557, E2558, E2559, E2558
Rangel, Charles B., N.Y., E2546, E2548
Rogers, Mike, Ala., E2552
Roos kam, Peter J., Ill., E2558
Rothman, Steven R., N.J., E2551
Ryan, Paul, Wisc., E2552
Ryan, Tim, Ohio, E2554
Schakowsky, Janice D., Ill., E2554
Serrano, Jose R., N.Y., E2549
Spach, Zachary T., Ohio, E2555, E2555, E2557
Spratt, John M., Jr., S.C., E2559
Terry, Lee, Neb., E2553
Udall, Mark, Colo., E2550
Udall, Tom, N.M., E2556
Walsh, James T., N.Y., E2551
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