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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mrs. TAUSCHER).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
JUNE 19, 2008.

I hereby appoint the Honorable ELLEN O. TAUSCHER to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives

PRAYER

Rev. Thomas A. Rhodes, Mount Olive Lutheran Church, Folsom, California, offered the following prayer:

We call on You, Heavenly Father, from this historic Chamber today, asking Your wisdom and guidance be with these women and men who serve with honor and diligence, this courageous Nation of those ''yearning to breathe free.'' Grant Your gracious protection and tender care to them, their staffs and families.

Lord, grant also Your safety for those who stand and protect us and preserve the cause of liberty as they serve in our country's Armed Forces. May they and their families be under Your constant, watchful and loving eye.

Father, the Statue of Liberty arrived on our shores on this day in 1885. She stands as a beacon of liberty and hope for this Nation and the world. In the same way, the cross of Your Son Jesus Christ stands to remind us of the liberty He won, for all who call on His name, as we do now. Amen.

THE JOURNAL

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

Mr. KLEIN of Florida led the Pledge of Allegiance as follows:

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

WELCOMING REV. THOMAS A. RHODES

The SPEAKER pro tempore. Without objection, the gentleman from California (Mr. DANIEL E. LUNGREN) is recognized for 1 minute.

There was no objection.

Mr. DANIEL E. LUNGREN. Madam Speaker, today Pastor Tom Rhodes visits our Chamber from Folsom, California, where he is the pastor of Mount Olive Lutheran Church. He makes this journey with his son, Matt, less than a week after Father's Day as a reward for Matt's graduation from high school in Folsom.

Part of the purpose of their trip is to expose Matt to the history and tradition of American civic dedication, since Matt is interested in public service. One thing they will see as they visit the halls of Congress and the battlefields of the Civil War is that there is no shortage of ways and opportunities to serve one's country. And that is what we find in Matt's father, Pastor Tom. He told us that the opportunity to stand here today as our guest chaplain would show his son that ''service to our country takes on a variety of forms.''

But Pastor Tom's prayer for us this morning, like the prayers his congregation in Folsom regularly offer, isn't the only place we see this evidence; it is in his lifetime of service to God and country. Besides serving as the Pastor of Mount Olive, Pastor Tom has held a variety of ministry positions in church, including pastor, elder, librarian, Sunday school teacher and committee chair.

Outside of church, he has been a member of the local PTAs, on the Board of Directors for the Twin Lakes Food Bank, a narrator for the Washington Talking Book and Braille Library, and a part of the Civil Air Patrol for 3 years.

We are glad to have you here with us today, Pastor Tom. Thank you for your continued prayers and service to your community and country. And Matt, congratulations on your recent graduation and good luck in your future endeavors.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6041

Ms. GRANGER. Madam Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 6041.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

TIME TO REVIEW DISASTROUS FARM POLICIES

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

Mr. BLUMENAUER. Madam Speaker, while our hearts are touched by the

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terrible flooding in Iowa, 24 lives lost already, 40,000 people who had to be evacuated, now is the time to think about how we help them in the future and prevent others from this fate.

This is the second 500-year flood in the last 15 years. There is a thought-provoking article on the front page of today's Washington Post that I would commend to all of my colleagues. It recalls something that I saw when I last visited Iowa, that the whole State has been dramatically replumbed. Ninety percent of the wetlands have been filled and farmed. Last year alone, 106,000 acres in the Conservation Reserve Program were taken out and farmed, acres that would have served as a great big sponge to capture the water instead of making flooding worse.

Because the effects of global warming and planting one-third of the State in corn and soybeans, we should reflect on the human role in the unfolding disaster. Now is the time to review our disastrous farm and water resource policies so that we can protect people in the future from this fate.

EXPLORATION, INNOVATION, AND CONSERVATION

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

Mr. WILSON of South Carolina. Madam Speaker, the continued rise in energy prices threatens our economy and our national security. There are unfriendly nations around the world that are reliant on the world's addiction to oil. Unstable leaders like Venezuelan President Hugo Chavez delight in our dependence on imported oil and they are invested in using that power to promote their destructive agenda. Our national security is threatened by these circumstances. At the same time, we are sending billions of our dollars out of this country to buy foreign oil.

House Republicans have proposed a sensible plan of exploration, innovation and conservation that outlines long-term and short-term solutions to promote energy independence.

There is absolutely no reason why we cannot expand American oil and natural gas exploration, develop alternative energy sources and promote energy efficiency all at the same time. Incorrectly, the energy debate in this country has been sold as a fight between those who support alternative fuels and those who want to drill. The House Republican plan includes all of the above.

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

CONGRESSIONAL AWARD GOLD MEDAL

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

Mr. KLEIN of Florida. Madam Speaker, I rise today to recognize the winners of the Congressional Award Gold Medal from my congressional district in south Florida. This award recognizes a significant commitment to community activism, as well as leadership development and physical fitness.

I am proud to recognize Angela Boyd, Addison Craig and Elizabeth Lott from Palm Beach Gardens and Jacob Schattie from Jupiter.

Angela Boyd completed over 450 hours of community service, including raising money for juvenile diabetes.

Addison Craig worked to raise money for organizations dedicated to finding a cure for cancer and heart disease.

Elizabeth Lott completed 500 hours of work with children and cancer patients.

Jacob Schattie was a coach and camp counselor to local youth.

These young men and women are role models for people, young and old, in my community and throughout our country. I am proud to honor these distinguished individuals today.

FINDING SOLUTIONS FOR SKYROCKETING ENERGY PRICES

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

Mr. NEUGEBAUER. Madam Speaker, I rise today to talk about energy, the fact that this is the people's House and the people are speaking. They are speaking loud and clear. Unfortunately, I do not think that the Democratic leadership is listening to the people. Survey after survey says we are tired of sending money to Hugo Chavez. Let's spend that money in the good old USA.

Madam Speaker, NANCY PELOSI, when this new leadership took charge, said we are going to bring real change for America. Well, the real change that this leadership has brought for America is we have the highest gasoline-diesel prices in the history of this country.

Madam Speaker, real change would be for the Democratic leadership for a change to begin to bring bills to the floor of this House that will bring long-term energy security and lower gasoline prices for the American people.

Madam Speaker, it is time for a change. It is time for you to change your position and bring energy legislation to the floor so that American people do not have to suffer and we do not have to send Hugo Chavez any more of our hard-earned money.

EXTEND UNEMPLOYMENT INSURANCE

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

Mr. MORAN of Virginia. Madam Speaker, today this body will have an opportunity to show the American people that we get it. We will be asked to vote on an extension of unemployment insurance for 13 weeks for every State in the country.

Normally, this would be a no-brainer, given the fact that a couple weeks ago we had the largest percentage increase in the number of unemployed. There are almost 4 million Americans without a job who can't find one, and we have had millions of Americans lose their homes through mortgage foreclosures. All of our constituents are paying over $4 a gallon for gas, almost three times what they were paying before the Bush administration came to office.

But it is not a no-brainer, because many of our Republican colleagues have consistently opposed extending unemployment insurance. A number of times, President Bush said he would veto the bill if we tried to extend unemployment insurance.

Madam Speaker, this is a failed economy. Let's not fail the American people today. Let's extend unemployment insurance.

BRAC/REFINERY BILL DISCHARGE PETITION

(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, a new oil refinery has not been built in the United States in over 30 years, and the refineries that we do have are operating at or near capacity. No matter how much crude oil is made available, the United States simply does not have the capacity to refine it. And today we are importing processed refined gasoline, last week, 1.2 million barrels of refined gasoline.

Less than a week after Hurricane Katrina devastated the Gulf, the price for regular gasoline increased by 46 cents, because much of our refining capacity is located along the Gulf Coast. Oil refining capacity is just one of the many aspects of our energy policy that we need to reconsider as gas prices continue their steep climb.

My bill, H.R. 2279, the subject of this week's discharge resolution, would address one of the largest hurdles to building a new refinery; finding land. By using a few closed military bases, we can jump-start the process and help address our refining needs.

UNEMPLOYMENT INSURANCE NECESSARY FOR 3.8 MILLION JOBLESS AMERICANS

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

Mr. COHEN. Madam Speaker, millions of Americans all over the United States are struggling to put food on the table and gas in their cars. Imagine at the same time that these prices spike you lose your job and that your

unemployment benefits run out simply because there are not enough jobs to go around. This has happened to 1.6 million Americans. They need our help.

Last week, Congress overwhelmingly passed legislation to immediately extend unemployment insurance for an additional 13 weeks. Today, that bill will be included in the emergency supplemental. This important legislation deserves strong bipartisan support.

With 325,000 jobs lost already this year and 3.8 million workers out of a job, it is imperative we take action now. We must continue to look for immediate solutions to our economic troubles. Extending unemployment insurance is one of the most cost-effective and fast-acting ways to stimulate the economy because the money is spent quickly.

Madam Speaker, President Bush and his allies in Congress should drop their opposition to this bill so we can help millions of Americans who are struggling with this recession economy.

□ 1015

STORMS AND GAS PRICES

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

Mr. PENCE. Madam Speaker, Hoosiers are struggling in the aftermath of some of the worst storms in our Nation's history. But even amidst the cleanup of last weekend, I was still hearing about gasoline prices.

At more than $4 a gallon in Indiana, working families, small businesses and family farms are hurting. Everywhere I went I heard the same thing, and it wasn't nationalize our refineries—as the Democrats are apparently planning to do—but the American people I heard from Indiana said drill for more oil on American soil. Hoosiers know the only way to lessen our dependence on foreign oil is to give the American people more access to American oil.

I say to my countrymen, call your Congressman right now and tell this Congress, drill more, drill now, and we will pay less.

HUGE VICTORY FOR AMERICAN SECURITY, AMERICAN WORKERS AND AMERICAN TAXPAYERS

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

Mr. LIPINSKI. Madam Speaker, yesterday we witnessed a huge victory for American security, American workers and American taxpayers.

The GAO found what many of us suspected all along about the Air Force tanker decision. A flawed process unfairly disadvantaged the American-made Boeing tanker. The Boeing aircraft met or exceeded all of the Air Force criteria. An independent study found that it would create at least twice as many American jobs including, 3,300 in Illinois.

Other studies showed the Boeing aircraft to be 25 percent more fuel efficient than the Airbus, resulting in a savings of nearly $30 billion and over 2 billion gallons of fuel. On top of all this, I believe that we should not be exporting our national security.

So today I urge my colleagues to join me in urging the Air Force to listen to the GAO, reopen the process and select the best tanker for America.

SKYROCKETING PRICE OF GAS

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

Mr. LUCAS. Madam Speaker, I come before you today to address the skyrocketing price of gas in Oklahoma, where the price for a gallon of gasoline at a station in my hometown of Cheyenne is now $3.95. This may be lower than the national average, but Oklahomans are actually paying more of their income on gas than people in areas where gas prices are higher.

According to a study by Common Current, Oklahoma City is ranked last in the ability to weather an oil and gas crisis. This is evidenced by the fact that families in Oklahoma's Third District are spending between 7 and 10 percent of their income on gas.

Congress has an opportunity to make sure that Americans don't have to choose between putting gas in their cars and necessities for their families through H.R. 2279, Expand American Refining Capacity on Closed Military Installations Act.

I ask my colleagues, support H.R. 2279. Sign the discharge petition. Bring this bill to the floor for a vote now.

MIDDLE CLASS AMERICAN FAMILIES ARE STRUGGLING

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

Ms. CASTOR. Madam Speaker, middle class families across America are struggling with the rising cost of health care, housing and gas prices brought on by the White House economic policies of the last 8 years.

Unfortunately, Big Oil continues to have a stranglehold over our country's energy policy. The latest proposal from their allies in the White House and other prominent Republicans is to drill for oil just off of our beaches.

But oil companies already have access to 68 million acres that they are not actively tapping, and the administration's own Energy Department reports that opening up new areas would have no impact on the price of gas.

True leaders are working on long-term solutions to reduce our dependence on oil and gas, promote conservation and new renewable technology. This has been the fundamental failure on energy policy of the Bush administration, and now Americans are paying the price. Do not reward Big Oil's latest attempt to grab even more.

Join us in fighting harmful speculation in petroleum markets and our efforts to end the massive, wasteful taxpayer subsidies to big oil companies. Short-term political gimmicks are no substitute for real leadership.

THIS IS NOT A FAILED ECONOMY

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

Ms. FOXX. Madam Speaker, this is not a failed economy. We are not in a recession. What a shame that Democrats want to talk down the economy.

Under a Democratic President, 6 percent unemployment was considered full employment. Unemployment now is 5.5 percent, not indicative of a failed economy. What is a problem are high gas prices brought to us by a failed Democratically controlled Congress, failed Democratically controlled Congress, a do-nothing-to-reduce-gas-prices Democratically controlled Congress.

Americans want us to do something to reduce gas prices, but Democrats continue to stonewall because they think they can blame President Bush and help themselves. What a shame.

We can bring down prices by producing American energy products. Let's do it now.

FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT

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

Mrs. MALONEY of New York. Madam Speaker, with Mother's Day and Father's Day behind us, it's time for us to practice what we preach. If we truly believe in the value of family, then we need to value the work that families do.

U.S. workers, unlike most workers worldwide, do not have the right to take paid time off to care for the birth of a new child. That is why the House should offer a model to the rest of the country by passing the Federal Employees Paid Parental Leave Act when it comes to the floor today. This bill provides 4 weeks of paid time off for all Federal employees to care for a new child.

This landmark bill will be the first to recognize that parents need their earnings, even as they need time off, to care for their new child.

Congress's action on family values should more than match its rhetoric. We should be the role model for all employers.

According to a Harvard study, the U.S. ranks 169th in the world in terms of providing paid time off. We are tied with Swaziland. TOM DAVIS is bipartisan and has been a cosponsor for 10 years. Let's pass it unanimously in a bipartisan recognition of family values.

ENERGY INDEPENDENCE

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

Mr. MCHENRY. Madam Speaker, American energy independence is important. Let's face it, we simply cannot conserve our way to energy independence.

Conservation is a sign of personal virtue, but it will not lead to American energy independence. The way we can move to energy independence is by increasing our supply and increasing our refining capacity, increasing our investments in renewable energy sources, increasing our focus on conservation. All those things can work.

Instead, this Democrat Congress is focused on naming months, naming weeks, naming days. In fact, we have had 125 resolutions recognizing various days, weeks and months, including Frank Sinatra Day. I love Frank, but he's not going to take us to American energy independence. National Train Day, National Plumbing Industry Week, but where is National Energy Independence Day?

FRUSTRATED WITH THE HIGH PRICES

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

Mr. ARCURI. Madam Speaker, people around America are talking about gas. That's all we hear.

There is a difference, however. The people back home in upstate New York are talking about gas because they are frustrated with the high prices. Yet other people in this country are attempting to demagog this issue and to turn it into a political issue.

We listen to the oil company executives say that we should drill, drill, drill. Drill our way to energy independence. Well, that's an impossibility. They say it as if we should believe what the oil company executives tell us, because, after all, they have always told us the truth in the past. That's just not the way it is.

In fact, if you look at the facts, you will see that there are 68 million acres available for drilling in this country that oil companies have failed and refuse to drill upon. Yet they continue to talk about drill, drill, because they don't want the alternative. They don't want to talk about conservation, and they don't want to talk about alternative energy.

This is useless, and it's divisive to America. We need to find solutions by working together, not pointing the finger and blaming others.

DEMOCRAT CONGRESS DOESN'T GET IT

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

Mr. JORDAN of Ohio. Madam Speaker, the Democrat Congress doesn't get it. We have got terrorists who want to do us harm, and we have yet to pass the FISA law. We have troops on the battlefield, and we have yet to pass the supplemental to get them the resources they need to do their job.

We have got a $10 trillion national debt, and yet the budget that was passed 3 weeks ago contains record levels of spending and the largest tax increase in history. Of course, we have got $4 a gallon gasoline and still no up or down vote on energy, expanding energy exploration.

We need to drill, we need to drill now. It's time to stop talking and start doing.

OIL COMPANIES DON'T WANT TO FOLLOW THE RULES

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

Mr. MCDERMOTT. Madam Speaker, I think I have walked into a meeting of the Republican drilling caucus. If they would remember a little history, they would remember that Mr. CHENEY had a meeting down at the White House back in 2001 and all of the oil company executives came in, and it was a secret meeting.

We have yet to find out who was there, what the agenda was, or whoever. But we can now, 8 years later, see the agenda, create chaos in the Middle East, attack Iraq, destabilize the oil fields, threaten Iran. Let's drive up the price of oil.

Gasoline was $1.47 when George Bush took control, and here we are, it's $4. They have absolutely succeeded.

Now at the end of that meeting they said, and, really, the best part of this is, we are going to get the right to drill in ANWR. Let's blame the environmentalists. They won't let us build refineries.

The reason we don't build refineries is because oil companies don't want to follow the rules. The only thing they drill the hole in is the bottom of the economic boat in this country.

CONVOLUTED NATIONAL ENERGY POLICY

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

Mr. CONAWAY. Madam Speaker, my previous colleague is a friend from Washington, but he really doesn't get it either.

When you have a convoluted national energy policy that the Democrats are putting forward, they meet themselves coming and going. On the one hand we have had speaker after speaker stand here today and tell us we can't drill our way out of it. Yet earlier this month we passed a bill that allows American citizens to sue OPEC to force them to produce more oil and gas.

The only way for them to produce more oil and gas is to drill more oil and gas. On the one hand they say production won't affect supply, and on the other hand they want to sue OPEC to force OPEC to produce more oil and gas so that we can buy it, from folks who are, at best, not our enemies.

This is wrongheaded on every level. I expect the OPEC companies today are working on legislation to allow their citizens to sue America to force America to produce her energy.

We can do better than this. We can quit talking past each other and make this thing work if we just do it.

KEEP JOBS IN AMERICA!

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

Mr. FILNER. Madam Speaker, yesterday the GAO sustained a protest filed by Boeing Company over the Air Force's decision to award a lucrative contract for aerial refueling tankers to a team led by Northrop Grumman and the European firm behind Airbus.

GAO's decision followed a 100-day review of the Air Force's selection process for the $35 billion tanker program. In the decision, GAO recommended that the Air Force reopen discussions with the contractors, obtain revised proposals and make a new decision. The Air Force was also directed to reimburse Boeing for the cost of the protest.

I am very pleased, as many Members of this body are, as millions of people across America are, and we hope the Air Force completely rebids the contract. But this opens a whole bigger issue that we ought to be discussing.

We need to step back, take a look at the bigger picture—the impact of the Defense Department contract outsourcing on American jobs. As we know, the American economy was founded with a base of manufacturing jobs. Today, it is still those jobs that keep the economy strong.

Right now the stock market is down, the dollar is down, unemployment numbers are up. It doesn't take a Harvard MBA to see our economy is faltering because of the erosion of manufacturing jobs.

Let's keep our jobs in America!

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6041

Mr. SESSIONS. Madam Speaker, I ask unanimous consent to have my name removed as a cosponsor H.R. 6041.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5781, FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT OF 2008

Mr. MCGOVERN. Madam Speaker, by direction of the Committee on Rules, I

call up House Resolution 1277 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1277

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 5781) to provide that 8 of the 12 weeks of parental leave made available to a Federal employee shall be paid leave, and for other purposes. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Oversight and Government Reform now printed in the bill shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions of the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and on any amendment thereto, 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 Oversight and Government Reform; (2) the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Davis of Illinois or his designee, which shall be in order without intervention of any point of order except those arising under clause 9 or 10 of rule XXI, shall be considered as read, and shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 5781 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

□ 1030

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

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

GENERAL LEAVE

Mr. MCGOVERN. I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material into the RECORD.

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

There was no objection.

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

Madam Speaker, H. Res. 1277 provides a structured rule for consideration of H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008. The resolution provides 1 hour of debate controlled by the Committee on Oversight and Government Reform and makes in order one of the two amendments submitted for consideration.

Madam Speaker, I rise today in strong support of this rule and of the underlying legislation, H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008, which in my opinion is a sensible, compassionate bill that provides Federal employees with 4 weeks of paid leave for the birth or adoption of a child.

Today the Federal Government does not offer any paid time off specifically to care for an infant or newly adopted child. If a Federal employee needs time to take care of the newest addition to their family, their only option for paid leave is to use their accrued sick days and vacation time.

This policy is unfair and disadvantageous to relatively new Federal employees or those who have experienced extended health problems. Having a policy that assumes Federal employees will not get sick or take vacation is unsound and needs to be rectified.

Paid parental leave for Federal workers is long overdue, and it is a shame that the Federal Government, our country's largest employer, has not provided it yet. The Federal Government ought to set the standard as a family-friendly workplace, and not fall behind.

And even more especially in this economic downturn, the Federal Government needs to step up and provide its families with paid leave. It is unconscionable, Madam Speaker, to ask parents to choose between their job and their new child in these harsh economic times.

With two full-time working parents being the standard nowadays, forcing families to lose one salary while they face astronomical food and energy prices is unacceptable.

Now some may claim that we are expanding the total amount of time a Federal employee may take off to care for a new child. Let me be clear, this bill does not expand the amount of leave currently available to Federal employees. This bill simply allows for 4 weeks of paid leave out of the 12 weeks that Federal employees currently receive under the Family and Medical Leave Act. The bill does not expand the total amount of time a person may take off under FMLA, and any claims to the contrary are simply false.

Madam Speaker, it is also important to note that this legislation will not affect the strength of our Nation's military. Since the Armed Forces set their own policies for leave, active duty soldiers are exempt from H.R. 5781. However, this legislation will provide 4 weeks of paid leave to the 400,000 civilian employees of the Department of Defense that serve with our armed forces at military bases across the country and around the world.

We depend on these mothers and fathers to make America safe, and providing them with 4 weeks of paid leave to care for their child is a much needed and much-deserved benefit.

Lastly, providing paid parental leave is a good recruitment tool for the Federal Government. In order to attract the best and the brightest and retain talent in our Federal workforce, Congress must provide important incentives like paid parental leave. I encourage my colleagues to stand up for families by supporting this rule and the underlying bill.

Madam Speaker, I reserve the balance of my time.

Mr. SESSIONS. Madam Speaker, I want to thank my friend from Massachusetts for yielding me this time to discuss the proposed rule for consideration of the Federal Employees Paid Parental Leave Act.

I rise in opposition to this so-called structured rule which makes in order no Republican amendments and the only amendment that it does allow is a Democrat manager's amendment, and to this legislation, which would provide government bureaucrats with benefits in excess of what four out of five hardworking private sector employees enjoy.

I disagree with the gentleman from Massachusetts, I think Federal Government work is very important to this country, but I believe that we do not need to extend benefits, to further ask for or to make ourselves available to as an incentive for hardworking people to come to work for the Federal Government. Thus, Madam Speaker, I am opposed to the underlying legislation.

Madam Speaker, as the father of two children, one of whom is a person with Down's syndrome and whose birth was more medically complicated than most children's, I understand the importance of families and their ability to deal with their problems. I return home each week to Dallas, Texas, after votes to be with my family, and families are important. I, like every other Member, understand the importance of family and how strong families are important to our country.

The question is not whether Congress should support families, but whether it makes sense when so many American families are already struggling with the high price of gas and other economic concerns to increase their tax burden to pay for this increased paid time off from work, especially in light of the fact that Federal workers don't really seem to need it or even be asking for it.

Currently, Federal Government employees between the ages of 20 and 45, those employees most likely to take advantage of this benefit expansion, have an average combined leave of over 7 weeks a year. But for even those workers with the least amount of Federal service, between 1 and 2 years, this program is duplicative because on average they already have a balance of 3.4 weeks of combined leave already at their disposal.

These generous paid leave policies already in place are why 88 percent of the 221,000 respondents to the 2006 Federal Human Capital Survey described themselves as ''very satisfied'' or ''satisfied'' with their paid leave for illness, including family care situations, for example what is talked about in this bill, childbirth, adoption or elderly care, and less than 5 percent described themselves as dissatisfied in any way.

What a shame we are trying to give away a benefit that taxpayers are going to pay for when it is not needed, and most of all, not even asked for.

Of course, creating this new, extra paid leave perk following the birth, adoption or fostering of a child, and include a provision that would allow the Office of Personnel Management to double the amount of paid leave to a total of 8 weeks, comes at a high cost. By the way, that 8 weeks may be asked for with no excuse or no reason necessary at all, simply by requesting it.

The Congressional Budget Office estimates that this new benefit in search of a problem would cost $850 million over 5 years. Pretty tough for a new majority that thinks that they want to have pay-as-you-go rules when now we are going to add a new $850 million worth of cost.

Madam Speaker, at a time when the average hardworking American families are already struggling and working more hours to fill their tanks because of this Democrat Congress's refusal to do anything constructive to address the high cost of energy, I don't believe it is appropriate for Congress to increase the paid leave of Federal bureaucrats beyond their already generous levels, and using taxpayer dollars.

As an alternative to today's legislation, the administration has proposed a fiscally responsible but functionally similar program: short-term disability insurance which would assist employees who need to use large amounts of time due to pregnancy, recovering from childbirth, accident or illness.

Because the majority of Federal employees, almost 60 percent, are not within the standard childbearing age, this proposal would be a better and more efficient fit for both employees and for the taxpayer and the Federal Government in dealing with the needs and costs associated with employees that need an extended period of time away for a number of reasons.

By providing Federal agencies with additional benefits that better meet the needs of the 21st century worker, the administration's short-term disability insurance proposal would safeguard Federal employees during a period of temporary inability to perform normal occupational duties while also safeguarding the pockets of the American taxpayer.

Despite the Office of Personnel Management providing this commonsense legislation proposal to Speaker PELOSI on March 4, 2008, today this Democrat-run House will only have the opportunity to vote on one functionally closed rule and the underlying legislation, with all of the other good ideas provided by Republicans completely shut out on this debate.

I encourage all of my colleagues to vote against this rule and the egregious underlying legislation.

I reserve the balance of my time.

Mr. MCGOVERN. Madam Speaker, I just want to respond by saying that Members on both sides of the aisle like to talk about family values all the time. Well, this is an effort that actually puts some real action behind those words. This is about helping families. I find it somehow puzzling that anybody would think this is a radical idea. And I would say to my colleagues on the other side of the aisle, you know, you have messed up our economy, you have increased financial insecurity amongst working families in this country, you have done everything you can to help the oil companies at the expense of average citizens who are now paying extraordinary prices at the gas tank. I mean, you have put working families at an extreme disadvantage.

This is an effort to provide a little bit of relief when somebody has a new baby or adopts a new child. Boy, to think that is a radical idea just to me defies reason.

At this time I would like to yield 4 minutes to the gentlewoman from New York (Mrs. MALONEY), the author of this legislation.

Mrs. MALONEY of New York. I thank the gentleman for his leadership on so many important issues and for supporting working families. This is the 21st century. Both the father and the mother have to work, and this is an important family friendly, family value legislation.

How many times have we heard the friends on the opposite side of the aisle talk about family values? Well, today we will have an opportunity to vote and do something to help families. Today we will take up my legislation, the Federal Employees Paid Parental Leave Act. This bill will provide 4 weeks of paid leave to Federal employees when they have a new child or adopt a new child.

If we truly believe in the value of family, then we need to value the work that families do. This means that we need to stop asking parents to choose between a paycheck and caring for a new child. Unlike a generation ago, today both parents work outside the home, and both need time off from work when they have a new child, yet most do not have access to paid family leave.

By providing paid parental leave to Federal employees, H.R. 5781 establishes the Federal Government as a model employer. A recent study found that out of 173 countries, 169 countries offered guaranteed leave with income to women in connection with childbirth. This ties the United States with Swaziland and New Guinea in terms of what we are offering in paid leave for new families.

This landmark bill is the first to provide paid family leave for new parents. It signals our commitment to valuing our employees and their families. This bill is good for the Federal agencies, it is good for Federal employees, and it is cost effective.

The lack of paid family leave puts Federal agencies at a disadvantage when competing for the best and the brightest employees. Our Federal workforce is aging and many of our agencies are finding it difficult to recruit and retain younger workers.

□ 1045

Providing paid parental leave would encourage younger workers who may be considering having a family to stay with the Federal Government.

Paid parental leave is already offered by the largest and most profitable U.S. companies. My staff at the Joint Economic Committee found that the Federal Government lags far behind Fortune 100 companies in providing paid leave as part of their benefits package. Fortune 100 companies overwhelmingly offer new mothers paid leave lasting 6 to 8 weeks long.

Federal employees who become new parents have the option of using their accrued vacation time, some sick days only if they're sick or tapping into a leave bank. This may work for the lucky families who never get sick, never need a vacation and are happy to rely on the kindness of strangers, but for many this is a second-rate solution, since even the best prepared employees often face difficult choices when children need their care.

The only national policy that covers parental leave is the Family and Medical Leave Act which provides up to 12 weeks of unpaid leave and job protection. The Family and Medical Leave Act is important, but because it is unpaid, many, especially low wage or younger workers with limited savings, cannot afford to use it.

H.R. 5781 is cost-effective. And the Congressional Budget Office reports that it is PAYGO compliant.

In testimony in support of this bill, Daniel Beard, Chief Administrative Officer of the U.S. House of Representatives noted: "This approach saves money. Employee morale is always greater when an employer treats employees with dignity, especially in times of crisis." I could not agree more with him.

The SPEAKER pro tempore. The gentlewoman's time has expired.

Mr. MCGOVERN. I yield the gentlewoman an additional 1 minute.

Mrs. MALONEY of New York. Madam Speaker, I know that many of you are scratching your heads and wondering how this bill can be PAYGO neutral. It is easy to explain. The $190 million is the amount that the agencies currently save on salaries when Federal employees who have a new child take their unpaid leave, as they are entitled to under the Family and Medical Leave Act.

After we implement H.R. 5781, it will be up to the Federal agencies to implement this new benefit and whether they will ask for increased appropriations in the future.

But let's remember, right now Federal employees who have a child bear both the burden of going without pay during family and medical leave, as well as coping with their new family

expenses. This is an opportunity for us to put action behind our rhetoric on family values.

I urge strong bipartisan support. It is supported by TOM DAVIS on the other side of the aisle, the ranking member of the Government Reform and Oversight Committee which considered and reported out this bill.

And I thank Chairman WAXMAN and many others for their strong support.

Mr. SESSIONS. Madam Speaker, I really do appreciate the gentleman, my friend from Massachusetts' characterization of Republicans wrecking the economy and all these things, negative things that the Republicans have done at the expense of the American taxpayer.

And yet I think that the American public understands who balanced the budget back in 1997. It was the Republican-led Congress. It was the American people who said we ought to balance the budget.

When I first came to Congress some 12 years ago, I did this under the pretext of balancing the budget and, secondly, growing the economy, growing the economy through the creation of new jobs.

So how well did Republicans do? Let's see. Balanced the budget in 1997 because we forced it; 1997, 1998, 1999, 2000, and 2001. In 2001 this country was struck by terrorists. That's right. We've not balanced the budget since. But what we have done during that period of time is created economic opportunity, economic opportunity for millions of Americans, created 5.3 million new jobs. That was the free enterprise system that did that, but it was done through the policies of this body, lowering taxes, giving working families more money back home, taking 5 million people completely off the tax rolls so they could take care of themselves.

And now, here today what we see is a bigger government, a government that will cost almost a billion dollars more as a result of what we're doing here.

So it's amazing to see how my good friends on the other side come and talk about how irresponsible we were, and yet, what we've done, when Republicans led, was to create new jobs in this country, to make sure that we grew our economy.

I see nothing, nothing in the Democratic budget or the bills that they've passed that have created new jobs. As a matter of fact, the gentleman from Massachusetts referred to the Republicans and President Bush wrecking the economy.

In fact, what happened is, you can just look at it directly on a calendar. The day America began having economic problems was the day this new Democrat majority was elected; came in and promised higher taxes, promised the opportunity for a new direction, higher gas prices.

Then what are we told?

We're told by the leaders of the Democratic Party, America, you're going to have to change the way you live your life. This sounds a lot like the mid 1970s when we had President Carter around. We're going to have to change the way you live your life.

Government knows best. That's what we're here on the floor talking about today. Government knows best. We're going to give a group of very faithful Federal employees a new opportunity that will cost almost a billion dollars more to Federal employees. And yet, my colleagues will stand up and talk about Republicans ruining the economy.

Now that's not what ruins the economy. What ruins the economy is bigger government, bigger government, more spending and continuation of the assault on the investor in this country.

So the Republican Party, once again, is in favor of a balanced budget. We're not in favor of wrecking the economy.

The Republican Party is in favor of us allowing drilling to take place in this country. Some of my colleagues this morning talked about, you know, all these millions of acres. Well, there's not oil under all those millions of acres. Trust me. Energy exploration companies will go where the energy is.

And yet, now we're talking about adding almost a billion dollars' worth of new spending on the taxpayers that are already having trouble paying for their own gasoline. And we're going to talk about raising taxes. That is how you ruin the economy. That is how you lose jobs instead of job creation and balancing the budget.

The Republican Party does get it. We do recognize that there are tough times there. I go back every weekend. I've never missed a weekend going back home in 12 years. I do get it. I see people at the grocery store. I know how much the cost of a gallon of gasoline is. I'm not sure all the leaders of this House of Representatives do know that.

So we ought to be working to find ways to reduce cost, to make government more efficient, not to find a way to add overhead. Unfortunately, that's what this new Democrat majority is all about; raising taxes, more rules and regulation, making government more powerful by, in this instance, giving Federal employees who don't even ask for it, want it or need it, more time off, and have the taxpayer pay for it.

Madam Speaker, I do disagree with the legislation. And I will tell you that I think the American public, as they learn more about it during this debate, will come to the same conclusion.

I reserve the balance of my time.

Mr. MCGOVERN. May I inquire to the gentleman how many more speakers he has.

The SPEAKER pro tempore. The gentleman from Massachusetts has 20½ minutes. The gentleman from Texas has 23.

Mr. MCGOVERN. And may I ask the gentleman from Texas if he has any other speakers.

Mr. SESSIONS. I do not have any additional speakers other than myself.

Mr. MCGOVERN. Then I will let the gentleman close, because we don't have any other speakers either.

Mr. SESSIONS. Madam Speaker, I think what we have talked about today is an opportunity where the Republican Party presented an alternative to Speaker PELOSI, an alternative based upon a perception of a problem by the Democrat majority.

President Bush, last March, came to the table and said, let's use a free market approach that does allow families the opportunity, when they need time, to have that time and to utilize it. But let's let those individual families make their own decision, based upon disability insurance.

I understood a long time ago, from my previous job, when I had a very large team size of people that I worked with, that really, the American worker, at least where I was, was satisfied that they had a job and earned enough money to put food on the table, but also competed for family time and they needed time at home. That I understand.

But I encourage that in terms of being able to take time off. And having unpaid leave through a disability insurance program, is the right way to do this. So the Republican Party, through the President of the United States, brought this to Speaker PELOSI.

Instead, what we got was a billion-dollar answer to the taxpayer, a billion dollars more of spending, a billion dollars more of having the taxpayer have to pay things, and a billion dollars more, so the Republican Party comes to the table and says, why don't we try and balance our budget, rather than making government bigger and spending more money?

That's what we're doing here today. We are politely coming to the table in this constitutional body and saying, we disagree.

Since taking control of Congress in 2007, this Democrat Congress has totally been negligent in its responsibility to do anything constructive to address the domestic supply issues that have created the biggest problem that we have in America today, and that is energy and the cost of energy. Skyrocketing gas, diesel and energy costs are facing the American public today big time back home.

Meanwhile, we find that the Congress is trying to spend another billion dollars.

So today I urge my colleagues to vote with me to defeat the previous question so this House can finally consider real solutions to the energy costs.

If the previous question is defeated, I will move to amend the rule to allow for consideration of H.R. 2279, which would expand the American refinery capacity on closed military installations. That's right. We're suggesting that we will use Federal installations that have closed to have a better way to make sure that we have more gasoline available.

This bill was introduced by my dear friend, JOE PITTS of Pennsylvania, way

back in May of 2007, over a year ago. See, Republicans saw it a year ago as a problem, and came to the table with answers and questions about what we can do.

This legislation would reduce the price of gasoline by streamlining the refinery application process, and by requiring the President to open at least three closed military installations for the purpose of setting new and providing new, reliable American refineries.

Madam Speaker, 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 Texas?

There was no objection.

Mr. SESSIONS. I urge my colleagues to take a second look, to become a student, just as we're asking the American public, to look at who really is trying to address the issue of the cost of energy. We're asking the American public to look into, and to see who's really getting gouged. Who really is getting gouged?

And it's families back home. It's businesses that are trying to provide services. It is our airlines that are trying to make sure that we keep this economy going.

And what do we hear back from Washington, DC? Let's sue OPEC. Let's tax Big Oil. Let's stick it to Big Oil.

Well, in fact, what we ought to be saying is that energy companies are our friends. Energy companies need to and want to supply cost-effective and reliable opportunities for the American public to have gasoline without long lines.

□ 1100

What are the energy companies saying? They're saying, Please give us the opportunity to go where there is oil or the perception that there's oil and go looking for it and provide it to the American public. It's American security. It is the opportunity for America to be able to use its own resources.

Is this the final answer? Heck no. That's not the final answer. What we're trying to do is bridge us through this until the technologies of, as we know, the battery-operated car and other technologies are coming to fruition, but in the meantime, we should not be spending our hundreds of billions of dollars that this Democrat majority is allowing to happen because they're cutting off American energy to go overseas to keep building Dubai and the next cities and countries that are after that off American money.

Madam Speaker, I really believe that the American public, when they understand, because they will become students of this issue, they will see that the opportunities for American energy, American security, American independence, and American jobs are what are on the line. And then they will look up and know that there's very consistent behavior. They will know which group of people in Washington, DC is really for them.

Today, we see where that same group of people, the United States Congress, is going to come together and say who is going to add another billion dollars to the price tag of running government, who is the same party that cuts off and won't even accept the good ideas of allowing more drilling here in the United States for American security. They're going to draw a conclusion. And that conclusion is going to be, they're going to see which group of people has the best ideas to empower job growth and investment in this country.

Who are the people that really are aiming at balancing our budget? Who is the group of people that are trying to do every single thing that we can to protect this country? Madam Speaker, that is the Republican Party. The Republican Party is trying to make sure that the taxpayer of this country does not pay higher taxes. The Republican Party is trying to make sure that we have enough energy, American energy, available for consumers of this country. And we are standing up today saying we do not believe adding almost a billion dollars worth of new spending for Federal employee benefits is the right thing to do right now.

So we're going to ask that our Members vote against this bill. We're going to ask that we do something by voting against this bill and voting for the motion to recommit.

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

Mr. MCGOVERN. Madam Speaker, I yield to the gentlelady from Texas (Ms. JACKSON-LEE) for a unanimous consent request.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. I thank the distinguished gentleman from Massachusetts, and I thank the minority for their indulgence.

Madam Speaker, I rise today in support of H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008, introduced by my colleague and fellow Women's Caucus member, Congresswoman CAROLYN MALONEY of New York.

This legislation provides 4 weeks of paid parental leave for all Federal employees. Employees will also for the first time be allowed to use their accrued sick leave for an additional 8 weeks of paid leave. By combining the 4 weeks of paid parental leave with earned sick leave, many Federal employees will now be able to get paid for the full 12 weeks of parental leave that is their right under the existing Family and Medical Leave Act.

However, this legislation is about more than a technical fix to current law. As we celebrated our fathers only last week, we recognized the significance of family of the various roles we all play. Mothers and fathers should be allowed to be there for the birth or adoption of a new child. This legislation reinforces the belief in family. Be it grandmother, grandfather, uncle, aunt, or mom and dad—our families deserve to be supported and valued.

In my district of Houston, Texas, there are over 70,000 single parent households run by women and over 22,000 Federal employees in my district. This legislation gives them the time they need to bond with a new child. It has been proven time and time again that the first few weeks post-birth are essential to parent and child bonding. This is true be they natural or adopted children.

This legislation should be titled Celebrating and Supporting Our Families Act because that is exactly what it seeks to do. It also provides that support for our employees here on Capitol Hill.

This act allows Federal employees to substitute any available paid leave for any leave without pay available for either the: (1) birth of a child; or (2) placement of a child with the employee for either adoption or foster care. Makes available for any of the 12 weeks of leave an employee is entitled to for such purposes: (1) four administrative weeks of paid parental leave in connection with the birth or placement involved; and (2) any accumulated annual or sick leave.

Authorizes the Director of the Office of Personnel Management (OPM) to increase the amount of paid parental leave available to up to eight administrative workweeks, based on the consideration of: (1) the benefits provided to the Federal Government of offering paid parental leave, including enhanced recruitment and retention of employees; (2) the cost to the Federal Government of increasing the amount of paid parental leave that is available to employees; (3) trends in the private sector and in State and local governments with respect to offering paid parental leave; and (4) the Federal Government's role as a model employer.

Amends the Congressional Accountability Act of 1995 and the Family and Medical Leave Act of 1993 to allow the same substitution for covered congressional employees, Government Accountability Office (GAO) and Library of Congress employees.

Defines "qualified leave" as leave that: (1) is available by reason of the need to care for the spouse, child, or parent of the employee having a serious health condition or by reason of a serious health condition affecting the employees that renders such employee unable to perform the functions of his or her position; and (2) would otherwise be leave without pay.

This act is a tremendous step and makes unequivocally clear, and dispels any belief that this act applies only to women. It does not. Members on both sides of the aisle talk about family values, but one of the most concrete ways we can help families is to give parents more time with their new children, without losing their paycheck. The Federal Government can be a model for other employers. I therefore encourage my colleagues to support this legislation and demonstrate by their actions that they support our families.

Mr. MCGOVERN. Madam Speaker, let me reiterate something I said earlier in the debate, and that is the Republican Congress and this Republican President have made a mess of this economy. Their legacy is a lousy economy. There are more people every day losing their jobs. Their legacy is that they have left my kids with a $300 billion deficit and a $9.4 trillion debt, the largest debt in the history of the United States of

America. That's their legacy. That's their great economic achievement.

Their legacy is basically no energy policy except whatever the oil companies want, and that's what they have done when they were in power. Whatever the oil companies want, the oil companies get.

And quite frankly, it kind of took my breath away when I heard my colleague talk about the oil companies as ''our friends.'' Well, with friends like the oil companies, the consumers do not need enemies.

In 2002, the profits of the oil companies were at about $30 billion. In 2007, it's $123.3 billion. And yet we have seen rising gas prices. The consumers have been gouged. These oil companies have ripped off the citizens of this country.

The fact of the matter is that there are 68 million acres onshore and offshore in the United States that are leased by oil companies open to drilling and actually under lease, but they're not developed. They have 68 million acres. The fact is if oil companies tapped the 68 million Federal acres of leased land, it could generate an estimated 4.8 million barrels of oil a day, six times what ANWR would produce at its peak.

The fact is 80 percent of the oil available on the Outer Continental Shelf is in regions that are already open to leasing, but the oil companies have not decided it's worth their time to drill there.

The fact is that drilling in the Arctic Wildlife Refuge wouldn't yield any oil for 10 years and then would only save the consumer 1.8 cents per gallon in 2025. The bottom line is, Madam Speaker, is that these oil companies choose not to drill for more oil. They choose instead to do what they're doing and put the burden on the American consumer.

I have heard the issue about we need to expand refinery capacity. Well, we currently have excess oil refinery capacity. According to the Energy Information Administration, our refineries are currently running at 88 percent capacity, well below the 95 to 98 percent capacity, use rates we've seen this time of year for the last decade.

Now, no new oil refineries have been built in the last 30 years because major oil companies have not sought to build them. They have the ability. They've not sought to build them. ExxonMobil, Chevron, ConocoPhillips, BP, and Shell have publicly stated that they have no plans to build new refineries. Instead, they prefer to expand existing facilities. Shell, ConocoPhillips, and BP all testified that they were unaware of any environmental regulations preventing them from building new refineries or expanding existing ones. So there is nothing in the way that's preventing them from expansion.

And internal memos from oil companies make it clear that oil companies have decided that they needed to reduce refinery capacity to drive up their profits. They don't care. They don't care about the consumer. All they care about is profits. And for too long, our energy policy under the Republican Congress and this Republican President has been to give the oil companies whatever they want. We have done that, and we are now paying the price.

I should also point out that this Congress has enacted a number of pieces of legislation to try to deal with this issue. Interestingly enough, most of them have been either vetoed or threatened to be vetoed by the President. It's also interesting to note that among those that the President has threatened to veto are legislation that would take away the tax breaks and subsidies that we provide Big Oil, the companies that are making record profits, and put that into renewable clean forms of energy. That's what the administration is aghast at. They can't believe that we'd want to take away taxpayer subsidies to Big Oil, the companies that are now ripping off the American consumer, and put that into alternative energy research and development so that we're not so reliant on oil and we could become more energy independent.

We have tried to take the lead on energy independence in this Congress, but we have run into roadblocks by the Republicans here in the House, Republicans in the Senate, and this administration.

I would also point out that the American people get it. One of the reasons why Republicans are losing elections is because the American people are fed up with their policies. They want a new direction, and they will get a new direction come November with an expanded Democratic majority here in the House and in the Senate and a Democratic President.

Finally, Madam Speaker, let me just once again reiterate to my colleagues the importance of the underlying legislation. The Federal Employees Paid Parents Leave Act does not change the fundamental principles of the Family and Medical Leave Act in any way. The bill does not expand the number of weeks of leave available to workers under FMLA, the bill does not expand the number of employees who are eligible for FMLA leave, and the bill does not grant employees any additional sick leave.

For Federal employees who are currently entitled to FMLA coverage, this bill would simply allow them to be paid for four of those weeks if used for parental use, if used to care for a newborn child or a newly adopted child. I mean, this to me is common sense. This is the right thing to do.

As I said, Members talk all the time about family values. Well, here is our chance to show that we mean what we say. I would urge my colleagues to support the underlying bill. I urge a ''yes'' vote on the previous question and on the rule.

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

AMENDMENT TO H. RES. 1277 OFFERED BY MR. SESSIONS OF TEXAS

At the end of the resolution, add the following:

SEC. 3. Immediately upon the adoption of this resolution the House shall, without intervention of any point of order, consider in the House the bill (H.R. 2279) to expedite the construction of new refining capacity on closed military installations in the United States. All points of order against the bill are waived. The bill shall be considered as read. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill equally divided and controlled by the chairman and ranking member of the Committee on Energy and Commerce, and the chairman and ranking member of the Committee on Armed Services; and (2) an amendment in the nature of a substitute if offered by Representative Dingell of Michigan or Representative Skelton of Missouri, which shall he considered as read and shall be separately debatable for 40 minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

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

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

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

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

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress (page 56). Here's how the Rules Committee described the rule using information 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 an

hour of debate and may offer a germane amendment to the pending business.

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

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

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

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

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

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

The yeas and nays were ordered.

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

WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Ms. SLAUGHTER. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1281 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1281

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported on the legislative day of June 19, 2008, providing for consideration or disposition of a measure making supplemental appropriations for the fiscal year ending September 30, 2008.

The SPEAKER pro tempore. The gentlewoman from New York is recognized for 1 hour.

Ms. SLAUGHTER. Thank you, Madam Speaker.

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

I yield myself such time as I may consume and ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on House Resolution 1281.

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

There was no objection.

Ms. SLAUGHTER. Madam Speaker, H. Res. 1281 waives clause 6(a) of rule XIII which requires a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee. The waiver would apply to any rule reported on the legislative day of June 19, 2008, that provides for consideration or disposition of a measure making supplemental appropriations for the fiscal year 2008.

Madam Speaker, with the passage of this rule, the House would move one step closer to taking up the supplemental appropriations bill, a bill forged in bipartisan compromise that provides funding for our troops currently on the ground, critical domestic savings for Americans calling out for relief, and a dramatic expansion for veterans' educational benefits.

The same-day rule will allow us to do all of this in an expedited manner. Later today, the Rules Committee will report out a rule that will give the Chamber the opportunity to debate the bipartisan legislation dealing with some of the most pressing issues facing our Nation today.

I urge a ''yes'' vote on the rule.

I reserve the balance of my time.

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

I want to begin by expressing my great appreciation to the very able and distinguished Chair of the Committee on Rules, my dear friend from Rochester (Ms. SLAUGHTER) for yielding me the customary 30 minutes.

And I will say, Madam Speaker, that I stand here with somewhat mixed emotions. While I am happy that we are going to finally ensure that our men and women in uniform who are on the front lines ensuring the safety of our fellow Americans are going to have the funding that is necessary, I'm saddened that we are here at this juncture considering this measure under a process which was not at all necessary.

Madam Speaker, if we had, literally months ago, months ago, come to this point, we could have, under regular order, very easily provided the necessary troop funding that is out there, dealt with the issue of unemployment benefits, which is going to be addressed, and ensure that we're not going to put into place a massive tax increase on job creators here in the United States.

□ 1115

So I will say, Madam Speaker, that we want to do everything that we can to, as expeditiously as possible, meet the demand that has been set forward by our leaders on the frontline in the field in Iraq and Afghanistan.

I hope very much that my colleagues will join with me. It's not normal that I would support this structure that would allow for same-day consideration of the measure, but I believe it is imperative that we get funding to our troops, and I believe that the measure that we're going to consider in just a little while from now will allow us to do that.

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

Ms. SLAUGHTER. Madam Speaker, just one response to my good friend from California and my dear friend, that had the Republican Party voted for the last supplemental bill which funded the troops, it would not be necessary to be here today.

Mr. DREIER. Would the gentlewoman yield on that point?

Ms. SLAUGHTER. I will be happy to yield.

Mr. DREIER. I will simply say that there were very important reasons that we did not support it: a massive tax increase that was imposed on working Americans and job creators.

This measure that we are going to be considering later today is one that I believe we can have support from the United States Senate on and support from the President on. And we know full well that had that measure passed this House that we would have ended up right where we are today because the President would have vetoed the bill if it had gotten there, and most likely, would have not gotten through the Senate.

So I thank my friend for yielding. Let's move ahead. We have a bipartisan compromise right now, and I believe it is beneficial.

Ms. SLAUGHTER. I just want to make one inquiry: Is the massive tax increase you're talking about the extension of unemployment benefits?

Mr. DREIER. If I could ask my friend to further yield, I will say absolutely not. I will tell you that what I was talking about was the tax that is imposed on those people in upper income brackets, 82 percent of whom are small business owners in this country. That's the tax that we were talking about in the last measure, and that played a big role in leading those of us who want to ensure that we get this economy growing again that we would not, in fact, impinge on that by imposing that tax increase.

So I will say to my friend, let's move ahead. Let's make sure that we get the important funding to our troops so that we can be successful in ensuring our safety, and I thank my friend for yielding.

Ms. SLAUGHTER. Well, I will just close by saying we've been trying very hard to do just that.

I yield back the balance of my time and move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings

will resume on questions previously postponed.

Votes will be taken in the following order: ordering the previous question on H. Res. 1277; adoption of H. Res. 1277; motion to suspend the rules on H.R. 5710, de novo; motion to suspend the rules on H.R. 5511, de novo.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

PROVIDING FOR CONSIDERATION OF H.R. 5781, FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT OF 2008

The SPEAKER pro tempore. The unfinished business is the vote on ordering the previous question on House Resolution 1277, 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.

The vote was taken by electronic device, and there were—yeas 222, nays 197, not voting 14, as follows:

[Roll No. 423]

YEAS—222

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

NAYS—197

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

NOT VOTING—14

Andrews
Cubin
Dicks
Engel
Gilchrest
Gillibrand
Higgins
Hulshof
Loebsack
Meeks (NY)
Rush
Stark
Tiahrt
Wasserman Schultz

□ 1142

Mr. ROHRABACHER changed his vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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

RECORDED VOTE

Mr. SESSIONS. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 230, noes 194, not voting 9, as follows:

[Roll No. 424]

AYES—230

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

Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Wolf
Woolsey
Wu
Yarmuth

NOES—194

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

NOT VOTING—9

Cubin
Engel
Gilchrest
Hulshof
Loebsack
Meeks (NY)
Rush
Stark
Tiahrt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining on this vote.

□ 1151

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EASTERN NEW MEXICO RURAL WATER SYSTEM AUTHORIZATION ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill, H.R. 5710.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 5710.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 301, nays 124, not voting 8, as follows:

[Roll No. 425]

YEAS—301

Abercrombie
Ackerman
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Bono Mack
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Buyer
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Castor
Cazayoux
Chandler
Childers
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Edwards (TX)
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fortenberry
Foster
Frank (MA)
Frelinghuysen
Gerlach
Giffords
Gillibrand
Gonzalez
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hastings (WA)
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kirk
Klein (FL)
Knollenberg
Kucinich
LaHood
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pearce
Perlmutter
Peterson (MN)
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Richardson
Rodriguez
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Souder
Space
Speier
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh (NY)
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weller
Wexler
Whitfield (KY)
Wilson (NM)
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (AK)

NAYS—124

Aderholt
Akin
Bachmann
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Blackburn
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Drake
Dreier
Duncan
Ehlers
Everett
Fallin
Feeney
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gingrey
Gohmert
Goode
Goodlatte
Granger
Hall (TX)
Hayes
Heller
Hensarling
Hobson
Hoekstra
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jordan
Kingston
Kline (MN)
Kuhl (NY)
Latta
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCotter
McCrery
McHenry
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Price (GA)
Radanovich
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Roskam
Royce
Scalise
Schmidt
Sensenbrenner
Sessions
Shadegg
Smith (NE)
Smith (TX)
Stearns
Sullivan
Tancredo
Thornberry
Tiberi
Upton
Walberg
Wamp
Weldon (FL)
Westmoreland
Wilson (SC)
Wittman (VA)
Wolf
Young (FL)

NOT VOTING—8

Cubin
Gilchrest
Hulshof
Loebsack
Meeks (NY)
Rush
Stark
Tiahrt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining on this vote.

□ 1159

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.

LEADVILLE MINE DRAINAGE TUNNEL REMEDIATION ACT OF 2008

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill, H.R. 5511, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 5511, as amended.

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

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6041

Mr. CARTER. Mr. Speaker, I would like to have my name removed as a cosponsor for H.R. 6041.

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

There was no objection.

FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT OF 2008

Mr. DAVIS of Illinois. Mr. Speaker, pursuant to House Resolution 1277, I call up the bill (H.R. 5781) to provide that 8 of the 12 weeks of parental leave made available to a Federal employee shall be paid leave, 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. 5781

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 ''Federal Employees Paid Parental Leave Act of 2008''.

SEC. 2. PAID PARENTAL LEAVE UNDER TITLE 5.

(a) AMENDMENT TO TITLE 5.—Subsection (d) of section 6382 of title 5, United States Code, is amended—

(1) by redesignating such subsection as subsection (d)(1);

(2) by striking ''subparagraph (A), (B), (C), or'' and inserting ''subparagraph (C) or''; and

(3) by adding at the end the following:

''(2) An employee may elect to substitute for any leave without pay under subparagraph (A) or (B) of subsection (a)(1) any paid leave which is available to such employee for that purpose.

''(3) The paid leave that is available to an employee for purposes of paragraph (2) is—

''(A) 8 administrative workweeks of paid parental leave under this subparagraph in connection with the birth or placement involved; and

''(B) any annual or sick leave accrued or accumulated by such employee under subchapter I.

''(4) Nothing in this subchapter shall be considered to require—

''(A) that an employing agency provide paid sick leave in any situation in which such employing agency would not normally be required to provide such leave; or

''(B) that an employee first use all or any portion of the leave described in subparagraph (B) of paragraph (3) before being allowed to use the paid parental leave described in subparagraph (A) of paragraph (3).

''(5) Paid parental leave under paragraph (3)(A)—

''(A) shall be payable from any appropriation or fund available for salaries or expenses for positions within the employing agency;

''(B) shall not be considered to be annual or vacation leave for purposes of section 5551 or 5552 or for any other purpose; and

''(C) if not used by the employee before the end of the 12-month period (as referred to in subsection (a)(1)) to which it relates, shall not accumulate for any subsequent use.

''(6) The Director of the Office of Personnel Management shall prescribe any regulations necessary to carry out this subsection, including, subject to paragraph (4)(B), the manner in which an employee may designate any day or other period as to which such employee wishes to use paid parental leave described in paragraph (3)(A).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall not be effective with respect to any birth or placement occurring before the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 3. PAID PARENTAL LEAVE FOR CONGRESSIONAL EMPLOYEES.

(a) AMENDMENT TO CONGRESSIONAL ACCOUNTABILITY ACT.—Section 202 of the Congressional Accountability Act of 1995 (2 U.S.C. 1312) is amended—

(1) in subsection (a)(1), by adding at the end the following: ''In applying section 102(a)(1)(A) and (B) to covered employees, subsection (d) shall apply.'';

(2) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

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

''(d) SPECIAL RULE FOR PAID PARENTAL LEAVE FOR CONGRESSIONAL EMPLOYEES.—

''(1) SUBSTITUTION OF PAID LEAVE.—A covered employee taking leave without pay under subparagraphs (A) or (B) of section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1)) may elect to substitute for any such leave any paid leave which is available to such employee for that purpose.

''(2) AMOUNT OF PAID LEAVE.—The paid leave that is available to a covered employee for purposes of paragraph (1) is—

''(A) the number of weeks of paid parental leave in connection with the birth or placement involved that correspond to the number of administrative workweeks of paid parental leave available to Federal employees under section 6382(d)(3)(A) of title 5, United States Code; and

''(B) any additional paid vacation or sick leave provided by the employing office to such employee.

''(3) LIMITATION.—Nothing in this section shall be considered to require—

''(A) that an employing office provide paid sick leave in any situation in which such employing office would not normally be required to provide such leave; or

''(B) that a covered employee first use all or any portion of the leave described in subparagraph (B) of paragraph (2) before being allowed to use paid parental leave described in subparagraph (A) of paragraph (2).

''(4) ADDITIONAL RULES.—Paid parental leave under paragraph (2)(A)—

''(A) shall be payable from any appropriation or fund available for salaries or expenses for positions within the employing office; and

''(B) if not used by the covered employee before the end of the 12-month period (as referred to in section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1))) to which it relates, shall not accumulate for any subsequent use.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall not be effective with respect to any birth or placement occurring before the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 4. CONFORMING AMENDMENT TO FAMILY AND MEDICAL LEAVE ACT FOR GAO AND LIBRARY OF CONGRESS EMPLOYEES.

Section 102(d) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(d)) is amended by adding at the end the following:

''(3) SPECIAL RULE FOR GAO AND LIBRARY OF CONGRESS EMPLOYEES.—

''(A) SUBSTITUTION OF PAID LEAVE.—An employee of an employer described in section 101(4)(A)(iv) taking leave under subparagraphs (A) or (B) of subsection (a)(1) may elect to substitute for any such leave any paid leave which is available to such employee for that purpose.

''(B) AMOUNT OF PAID LEAVE.—The paid leave that is available to an employee of an employer described in section 101(4)(A)(iv) for purposes of paragraph (1) is—

''(i) the number of weeks of paid parental leave in connection with the birth or placement involved that correspond to the number of administrative workweeks of paid parental leave available to Federal employees under section 6382(d)(3)(A) of title 5, United States Code; and

''(ii) any additional paid vacation or sick leave provided by such employer.

''(C) LIMITATION.—Nothing in this paragraph shall be considered to require—

''(i) that an employer described in section 101(4)(A)(iv) provide paid sick leave in any situation in which such employer would not normally be required to provide such leave; or

''(ii) that an employee of such an employer first use all or any portion of the leave described in clause (ii) of subparagraph (B) before being allowed to use paid parental leave described in clause (i) of such subparagraph.

''(D) ADDITIONAL RULES.—Paid parental leave under subparagraph (B)(i)—

''(i) shall be payable from any appropriation or fund available for salaries or expenses for positions with employers described in section 101(4)(A)(iv); and

''(ii) if not used by the employee of such employers before the end of the 12-month period (as referred to in subsection (a)(1)) to which it relates, shall not accumulate for any subsequent use.''.

SEC. 5. STUDY.

(a) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act, the Government Accountability Office shall study and submit to Congress a written report on the feasibility and desirability of providing an insurance benefit to Federal employees which affords partial or total wage replacement with respect to periods of qualified leave.

(b) PERIOD OF QUALIFIED LEAVE.—For purposes of this section, the term ''period of qualified leave'', as used with respect to a Federal employee, means any period of leave under section 6382 of title 5, United States Code, which would otherwise be leave without pay, and which is available by reason of—

(1) the need to care for the spouse or a son, daughter, or parent of the employee having a serious health condition; or

(2) a serious health condition affecting the employee that renders such employee unable to perform the functions of the employee's position.

(c) MATTERS FOR INCLUSION.—The report shall include, at a minimum, the following:

(1) A brief description of any plans or arrangements under which similar benefits are currently provided to employees in this country (within the private sector or State or local government) or in other countries.

(2) With respect to any plans or arrangements under which such benefits are currently provided to private or public sector employees in this country—

(A) the portion or percentage of wages typically replaced;

(B) how those benefits are generally funded, including in terms of the employer and employee shares;

(C) whether employee coverage is optional or automatic; and

(D) any waiting period or other conditions which may apply.

(3) Identification and assessment of any plans or arrangements described under the preceding provisions of this subsection (or any aspects thereof) which might be particularly relevant to designing the insurance benefit (described in subsection (a)) for Federal employees, including how such benefit might be coordinated with annual leave, sick leave, or any other paid leave available to an employee for the purpose involved.

The SPEAKER pro tempore. Pursuant to House Resolution 1277, the amendment in the nature of a substitute printed in the bill is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 5781

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 ''Federal Employees Paid Parental Leave Act of 2008''.

SEC. 2. PAID PARENTAL LEAVE UNDER TITLE 5.

(a) AMENDMENT TO TITLE 5.—Subsection (d) of section 6382 of title 5, United States Code, is amended—

(1) by redesignating such subsection as subsection (d)(1);

(2) by striking ''subparagraph (A), (B), (C), or'' and inserting ''subparagraph (C) or''; and

(3) by adding at the end the following:

''(2) An employee may elect to substitute for any leave without pay under subparagraph (A) or (B) of subsection (a)(1) any paid leave which is available to such employee for that purpose.

''(3) The paid leave that is available to an employee for purposes of paragraph (2) is—

''(A) subject to paragraph (6), 4 administrative workweeks of paid parental leave under this subparagraph in connection with the birth or placement involved; and

''(B) any annual or sick leave accrued or accumulated by such employee under subchapter I.

''(4) Nothing in this subchapter shall be considered to require—

''(A) that an employing agency provide paid sick leave in any situation in which such employing agency would not normally be required to provide such leave; or

''(B) that an employee first use all or any portion of the leave described in subparagraph (B) of paragraph (3) before being allowed to use the paid parental leave described in subparagraph (A) of paragraph (3).

''(5) Paid parental leave under paragraph (3)(A)—

''(A) shall be payable from any appropriation or fund available for salaries or expenses for positions within the employing agency;

''(B) shall not be considered to be annual or vacation leave for purposes of section 5551 or 5552 or for any other purpose; and

''(C) if not used by the employee before the end of the 12-month period (as referred to in subsection (a)(1)) to which it relates, shall not accumulate for any subsequent use.

''(6) The Director of the Office of Personnel Management—

''(A) may promulgate regulations to increase the amount of paid parental leave available to an employee under paragraph (3)(A), to a total of not more than 8 administrative workweeks, based on the consideration of the following factors:

''(i) the benefits provided to the Federal Government of offering paid parental leave, including enhanced recruitment and retention of employees;

''(ii) the cost to the Federal Government of increasing the amount of paid parental leave that is available to employees;

''(iii) trends in the private sector and in State and local governments with respect to offering paid parental leave;

''(iv) the Federal Government's role as a model employer; and

''(v) such other factors as the Director considers necessary; and

''(B) shall prescribe any regulations necessary to carry out this subsection, including, subject to paragraph (4)(B), the manner in which an employee may designate any day or other period as to which such employee wishes to use paid parental leave described in paragraph (3)(A).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall not be effective with respect to any birth or placement occurring before the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 3. PAID PARENTAL LEAVE FOR CONGRESSIONAL EMPLOYEES.

(a) AMENDMENT TO CONGRESSIONAL ACCOUNTABILITY ACT.—Section 202 of the Congressional Accountability Act of 1995 (2 U.S.C. 1312) is amended—

(1) in subsection (a)(1), by adding at the end the following: ''In applying section 102(a)(1)(A) and (B) to covered employees, subsection (d) shall apply.'';

(2) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

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

''(d) SPECIAL RULE FOR PAID PARENTAL LEAVE FOR CONGRESSIONAL EMPLOYEES.—

''(1) SUBSTITUTION OF PAID LEAVE.—A covered employee taking leave without pay under subparagraphs (A) or (B) of section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1)) may elect to substitute for any such leave any paid leave which is available to such employee for that purpose.

''(2) AMOUNT OF PAID LEAVE.—The paid leave that is available to a covered employee for purposes of paragraph (1) is—

''(A) the number of weeks of paid parental leave in connection with the birth or placement involved that correspond to the number of administrative workweeks of paid parental leave available to Federal employees under section 6382(d)(3)(A) of title 5, United States Code; and

''(B) any additional paid vacation or sick leave provided by the employing office to such employee.

''(3) LIMITATION.—Nothing in this section shall be considered to require—

''(A) that an employing office provide paid sick leave in any situation in which such employing office would not normally be required to provide such leave; or

''(B) that a covered employee first use all or any portion of the leave described in subparagraph (B) of paragraph (2) before being allowed to use paid parental leave described in subparagraph (A) of paragraph (2).

''(4) ADDITIONAL RULES.—Paid parental leave under paragraph (2)(A)—

''(A) shall be payable from any appropriation or fund available for salaries or expenses for positions within the employing office; and

''(B) if not used by the covered employee before the end of the 12-month period (as referred to in section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1))) to which it relates, shall not accumulate for any subsequent use.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall not be effective with respect to any birth or placement occurring before the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 4. CONFORMING AMENDMENT TO FAMILY AND MEDICAL LEAVE ACT FOR GAO AND LIBRARY OF CONGRESS EMPLOYEES.

Section 102(d) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(d)) is amended by adding at the end the following:

''(3) SPECIAL RULE FOR GAO AND LIBRARY OF CONGRESS EMPLOYEES.—

''(A) SUBSTITUTION OF PAID LEAVE.—An employee of an employer described in section 101(4)(A)(iv) taking leave under subparagraphs (A) or (B) of subsection (a)(1) may elect to substitute for any such leave any paid leave which is available to such employee for that purpose.

''(B) AMOUNT OF PAID LEAVE.—The paid leave that is available to an employee of an employer described in section 101(4)(A)(iv) for purposes of paragraph (1) is—

''(i) the number of weeks of paid parental leave in connection with the birth or placement involved that correspond to the number of administrative workweeks of paid parental leave available to Federal employees under section 6382(d)(3)(A) of title 5, United States Code; and

''(ii) any additional paid vacation or sick leave provided by such employer.

''(C) LIMITATION.—Nothing in this paragraph shall be considered to require—

''(i) that an employer described in section 101(4)(A)(iv) provide paid sick leave in any situation in which such employer would not normally be required to provide such leave; or

''(ii) that an employee of such an employer first use all or any portion of the leave described in clause (ii) of subparagraph (B) before being allowed to use paid parental leave described in clause (i) of such subparagraph.

''(D) ADDITIONAL RULES.—Paid parental leave under subparagraph (B)(i)—

''(i) shall be payable from any appropriation or fund available for salaries or expenses for positions with employers described in section 101(4)(A)(iv); and

''(ii) if not used by the employee of such employers before the end of the 12-month period (as referred to in subsection (a)(1)) to which it relates, shall not accumulate for any subsequent use.''.

SEC. 5. STUDY.

(a) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act, the Government Accountability Office shall study and submit to Congress a written report on the feasibility and desirability of providing an insurance benefit to Federal employees which affords partial or total wage replacement with respect to periods of qualified leave.

(b) PERIOD OF QUALIFIED LEAVE.—For purposes of this section, the term ''period of qualified leave'', as used with respect to a Federal employee, means any period of leave under section 6382 of title 5, United States Code, which would otherwise be leave without pay, and which is available by reason of—

(1) the need to care for the spouse or a son, daughter, or parent of the employee having a serious health condition; or

(2) a serious health condition affecting the employee that renders such employee unable to perform the functions of the employee's position.

(c) MATTERS FOR INCLUSION.—The report shall include, at a minimum, the following:

(1) A brief description of any plans or arrangements under which similar benefits are currently provided to employees in this country (within the private sector or State or local government) or in other countries.

(2) With respect to any plans or arrangements under which such benefits are currently provided to private or public sector employees in this country—

(A) the portion or percentage of wages typically replaced;

(B) how those benefits are generally funded, including in terms of the employer and employee shares;

(C) whether employee coverage is optional or automatic; and

(D) any waiting period or other conditions which may apply.

(3) Identification and assessment of any plans or arrangements described under the preceding provisions of this subsection (or any aspects thereof) which might be particularly relevant to designing the insurance benefit (described in subsection (a)) for Federal employees, including how such benefit might be coordinated with annual leave, sick leave, or any other paid leave available to an employee for the purpose involved.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the amendment printed in House Report 110–718 if offered by the gentleman from Illinois (Mr. DAVIS) or his designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered read, and shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent.

The gentleman from Illinois (Mr. DAVIS) and the gentleman from California (Mr. ISSA) each will control 30 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

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

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008, which was introduced by our colleague Congresswoman CAROLYN MALONEY on April 14, 2008. As Chairman of the Subcommittee on the Federal Workforce, Postal Service and the District of Columbia, I am proud to serve as an original cosponsor of this bill, along with 21 other Members of Congress.

H.R. 5781 takes an important step in improving the Federal Government's ability to recruit and retain a highly qualified workforce by providing paid parental leave to Federal and congressional employees for the birth, adoption or placement of a child for foster care, which is a benefit that is extended to most employees in the private sector as well as to government employees in other countries.

In considering H.R. 5781, the Subcommittee on the Federal Workforce, Postal Service, and the District of Columbia marked up the bill on April 15, 2008, and favorably recommended the measure to the Full Committee on Oversight and Government Reform after adopting an amendment offered by Committee Chairman HENRY WAXMAN that would permit only 4 weeks of paid parental leave instead of the 8 weeks included in the bill as introduced. The full committee then held a markup on H.R. 5781 on April 16, 2008, and ordered the bill to be reported to the floor, as amended, by a roll call vote of 21–10.

During the consideration of H.R. 5781, I had asked that language be included in the bill directing the Government Accountability Office to study the feasibility of providing a disability insurance benefit to Federal employees who had to take time off to care for a spouse, child or parent that has a serious health condition or for a Federal employee that has a serious health condition that renders him or her unable to perform their job functions. While the manager's amendment that we will be discussing later on removes this provision from the bill, I am happy to report that at my request GAO has agreed to perform a study that will analyze disability insurance benefits that are currently being offered by States, local governments and the private sector.

The bill being considered today will allow all Federal and congressional employees to receive 4 weeks of paid leave taken under the Family and Medical Leave Act for the birth, adoption or placement of a foster child. As many of my colleagues are aware, the current FMLA statute provides Federal workers up to 12 weeks of unpaid leave for the birth, adoption or placement of a foster child with an employee.

Mr. Speaker, the bill before us does nothing more than permit Federal employees to receive paid leave for 4 out of the 12 weeks if the leave is connected to the birth, adoption or placement of a foster child, and to use accrued sick or annual leave, if available, for the remaining 8 weeks. Let us be clear: This bill currently being considered does not provide Federal workers any additional time nor expand beyond the 12 weeks given under the current law.

The bill before us has also been strengthened by granting the Director of the Office of Personnel Management the authority to increase paid parental leave from 4 weeks to 8 weeks after considering a thorough cost and benefit analysis.

Parental leave is a pertinent concern around the world, and, unfortunately, America is lagging behind in offering paid leave for parents. The governments of 168 countries offer guaranteed paid leave to their female employees in connection with childbirth. Ninety-eight of these countries offer 14 or more weeks paid leave. Currently the Federal Government as an employer guarantees no paid leave.

Therefore, Mr. Speaker, I again reiterate my support for H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008, and urge my colleagues to join me in voting in favor of this measure.

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

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

Mr. Speaker, this is a bill in search of benefits that in fact do not exist in any great numbers in the private sector. This is a new perk, at a time in which the American people are having to make cutbacks. They are driving less. They are very clearly suffering under the incredible cost of rising energy prices. So this is a bill whose time should not be coming.

Mr. Speaker, I would like to yield 4 minutes to the ranking member of the full committee, the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, I thank my friend for yielding.

I rise today in strong support of H.R. 5781, the Federal Employees Paid Parental Leave Act. This important legislation is intended to improve the quality of life for the Federal workforce, which in turn will help promote productivity and reduce Federal employee attrition.

As we have discussed many times before on this House floor, the Federal Government is facing a wave of retirements in the near future, with approximately 60 percent of the Federal workforce becoming eligible to retire in the beginning and over the next decade. This legislation will help the Federal Government recruit and retain a top-notch cadre of new employees to replace those that are currently facing retirement.

Regardless of whether you support a larger government or a smaller government, I believe we all agree on one thing: Whatever the size of government, it should be run as efficiently and effectively as possible with as good people as we can get in doing it. This bill helps promote this efficiency by improving retention and reducing employee turnover.

As it becomes more and more common for both parents in a household to participate in a workforce, any major employer who expects to compete for top new talent in today's marketplace is going to have to present themselves as family friendly. This is exactly what this legislation will do for the Federal Government.

I understand many of my colleagues have concerns with this legislation with the estimated cost of $850 million in discretionary spending over 5 years. I understand. But, folks, waste in government is through our business processes and the way we do business. It is through mismanagement. It is through not proper oversight of contracts.

If you really want to eliminate waste in government, let's get good people in there and train them and offer a competitive package that we can offer

these young people coming out of college to get them to not only join the Federal Government, but stay in the Federal workforce. This is what this legislation does, bringing the best and brightest to government and helping to maintain them there. If you want to stop the leakage and the waste and mismanagement in government, you start with a top-flight workforce, and we need to be competitive to do that.

I believe providing new parents time to care for their new child during these critical weeks after birth or adoption will also help promote strong families, something we talk about a lot, in addition to reducing turnover and improving productivity. The incoming generation of Federal employees, and all employees, for that matter, want to feel they are part of an organization that is dedicated to and contributing to their lives and to their well-being. Given the loyalty and the service we seek from them, that same dedication should not be too much to ask from their employer.

Mr. Speaker, we are past the stage in our development as a nation when paid parental leave should be considered an extravagant or unnecessary fringe benefit, and this is why I have been an original cosponsor of Mrs. MALONEY's paid parental leave legislation since 2000. This bill we are considering today will be an important tool to help shape the Federal Government's image as an appealing place for young employees to work.

I want to thank the gentlewoman from New York for her longstanding leadership on this issue. I hope we can bring about its passage today. This will be a giant step forward. For those Members who didn't want to make parental leave a mandate to private employees, we can at least set an example here at the Federal level. This is what this legislation does.

□ 1215

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

Mr. DAVIS of Illinois. Mr. Speaker, it's my pleasure to yield 5 minutes to one who has been fighting, pushing, planning, organizing, struggling and working, the lead on this issue for more than 10 years, and the sponsor of this bill, Representative CAROLYN MALONEY from New York.

Mrs. MALONEY of New York. I thank my good friend and colleague for that generous introduction and for his strong leadership on this bill and in so many areas.

Mr. Speaker, I rise today in strong support of H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008. I am proud to be the author of this bill and pleased that a Democratic majority has brought this bill to the floor.

I particularly want to thank Chairman WAXMAN for his extraordinary leadership on this and in so many ways, and also former chairman, Ranking Member TOM DAVIS, who has been a lead sponsor on this legislation since it was first introduced. I thank him deeply, and, of course, Subcommittee Chair DANNY DAVIS. I am pleased to work every day with you on your committee, and GEORGE MILLER, for their outstanding support of this bill. They are strong advocates for Federal employees, and I expect that with their leadership and support we will pass this bill today to help working families in the Federal Government.

This bill is very important to me because I very painfully remember when I was pregnant with my first child, I was terrified of being fired. I was working for the New York State legislature, and I called the personnel office to inquire about their parental leave policy. I was told, leave policy, there is none, women just leave.

I said, well, I intend to come back to work because I have to work. What is your leave policy? They said, we have none. Possibly you could apply for disability. I told her that the birth of a child is not a disability, it is a joyous event.

I would say to my dear friend and colleague on the opposite side of the aisle that having a child is not a perk, it is important, it is important to the lives of the parents, it is important to the lives of our country. We should turn our family values rhetoric into a reality of providing some support to working men and women in the Federal Government.

Balancing work and family is a challenge that most parents face and good workplace policy can go a long way towards helping them. We have come a long ways since I was told that women just leave, but not far enough. According to a report from the Joint Economic Committee, three-quarters, or 75 percent, of all Fortune 100 companies offer parental leave to new mothers with a median length of leave from 6 to 8 weeks. Now these are some of the most successful companies in the country. They should know a little bit about retaining workers.

We also reviewed House offices and Senate offices. Most House offices, 85 percent, provide paid leave. Senate offices, 95 percent of the Senate offices, provide paid leave. The Armed Forces, they provide it also. They are not covered by the Family and Medical Leave Act but they recognize the importance of providing some paid time and leave for Federal workers and for their workers.

The Federal Government has not kept up with the changing times and needs to become competitive with the private sector. Employees are now entitled to have 12 weeks of un paid leave through the Family and Medical Leave Act. As we have heard time and time again many families cannot afford to take unpaid leave and are therefore forced to choose between their new child and their paycheck. No one should have to make that choice.

I would say that it's very difficult for new families. Not only does it cost roughly $12,000 to provide for a new child the first year, daycare is not available for newborns until they are 12 weeks old, so this puts tremendous pressure on families, where most parents have to work.

We have heard about Ozzie and Harriet, you know, Ozzie worked and Harriet was at home. Now 60 percent of married women work because they have to, and we should be providing them with some help. Not only will this legislation help these new families in the Federal Government, but it will also help the Federal Government with recruitment and retention.

Turnover is more expensive than providing paid leave. The average cost of turnover is about 20 percent of an employee's annual salary. Four weeks of paid leave is less than 8 percent of an employee's salary. This is an important piece of legislation to working men and women.

I would say that providing paid parental leave to Federal employees is a great first step toward providing this benefit to all working Americans, and it is a critical step towards helping our families.

I want to note that Senator JIM WEBB and Senator John WARNER, in a bipartisan effort, have introduced a companion bill in the Senate, and they have many cosponsors. The bill has a great deal of support because it is the right thing to do and will demonstrate our commitment to working families.

To those who say we cannot afford to do it, I say we can't afford not to do it.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. DAVIS of Illinois. I yield the gentlewoman 30 additional seconds.

Mrs. MALONEY of New York. We need to catch up with the rest of the world, as 169 countries already provide some form of paid leave. One hundred sixty-nine countries cannot be wrong.

It is time for America to show that we value families, that we support families. We need to turn our rhetoric into the reality of a vote in support of this bill that will move forward with 4 weeks of paid leave for Federal workers. It's the right thing to do.

I urge a strong bipartisan vote.

I thank the staff on the Joint Economic Committee, my staff, the committee staff. They are important. They helped us move this bill to the floor today. Thank you for all of your hard efforts.

I also want to thank Nan Gibson and Heather Boushey of my Joint Economic Committee staff, who have both worked tirelessly on this bill, providing excellent research and expertise.

Finally, I want to thank Michelle Ash and Mark Stephenson of the Oversight Committee whose commitment to this issue and this bill have been critical to getting here today.

Mr. ISSA. Mr. Speaker, I would now yield as much time as he would consume to the gentleman from Virginia (Mr. WOLF).

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

Mr. WOLF. I thank the gentleman from California.

Mr. Speaker, I rise in strong support of this bill. Dr. Brazelton, the leading pediatrician in the country, has said that upon the birth of a child, the connection between a mother and a newborn begins with the first breath and touch of the child, literally, the bonding process begins.

In 1993, when this issue first came up, I voted the other way. I was on the wrong side of the issue. I would remind Members of the Congress that two of the best Members of Congress that I have ever served with were for this bill. Congressman HENRY HYDE, who was a giant, and I would say one of the more pro-family people here in this Congress, and also former Senator Dan Coats, who was ranking Republican on the Select Committee on Children, Youth and Families, both voted for the Family Leave Act at that time.

I would urge Members to support this, because the bonding process and the immediacy and opportunity for mom to spend time with that child at the very, very beginning is very, very important.

I ask for a ''yes'' vote.

Mr. DAVIS of Illinois. Mr. Speaker, it's my pleasure to yield 3 minutes to the gentlewoman from California, Representative WOOLSEY.

Ms. WOOLSEY. First I want to thank Congressman DAVIS and Congresswoman MALONEY for this excellent, excellent bill. Thank you, and I know that it has been 10 years in the working, and I also know it is time that it passed.

Mr. Speaker, investing in our working families is the very best way we can strengthen our workforce, our economy, and our country. I am the chairwoman of the House Subcommittee on Workforce Protections, and, as the leader of that committee, and with the hearings we have held, we have learned that the most generous leave policies don't help families who cannot afford to take leave without pay. It's as simple as that.

As a Nation, we must support working families, and we can do that by providing them with the help they need to balance their work and their family. No parent should ever be forced to choose between the needs of their family and the needs of their job or the possible loss of that job.

I look forward to the day that my own legislation, the Balancing Act, will be passed. The Balancing Act provides working families the help they need to balance work and family, paid leave, increased child care, voluntary universal preschool, school breakfast, afterschool programs, and incentives for flexible work schedules.

If children are lucky enough to have two parents, both parents are probably in the workforce. They are working long hours, they are commuting long distances, and these very same parents are working to put food on the table.

They put food on the table, but they are quite often not able to be there to eat that food with their families. H.R. 5781 is a perfect example of what we must do as a Nation. It is a step in the right direction. It will prove how important it is to provide leave with pay.

Mr. ISSA. Mr. Speaker, the two previous speakers on our side spoke in favor of the bill.

I would like to honor their speaking in favor of the bill by saying that the bill is well intended, even if it is fatally flawed. People are talking about 10 years of wanting to achieve what they hope to achieve here today.

I would say to you and certainly would ask that Federal workers take note of what we do here today. We are not talking about making sure that someone who has a child or adopts a child has the opportunity to take the time off for bonding. We already ensure 12 weeks of that and have for that decade.

We are not talking here about anything except as it is presently written and not allowed to be amended, a bill that simply grants 4 weeks every single year to those individuals who choose to have a child, who choose to take time off in relation to a sick Federal employee, as was originally presented, or, more importantly, someone who takes on a foster child.

Now I am all for people taking on foster children, but let's look at this from a practical standpoint. You are running a Federal department. You have somebody who you need, and every single year, as often happens, they take on a new foster child that they keep for 3 to 5 years and they have, let's say, three foster children. That means that that individual will be gone on paid leave over and above their vacation, over and above their 13 days of sick leave a year, they are going to be gone 4 weeks every year, conceivably for a full 20 years.

So by having not just the birth, of a woman, but the husband, and not just birth, but foster children, we can conceivably go so far beyond the $850 million scoring, we could easily end up in the tens of billions of dollars.

Let's consider our Federal workers at a time when we are considering whether this is appropriate to do. Our Federal workers receive 13 days of sick leave a year. Our Federal workers can accumulate those for 6 months, meaning that when they retire, as is often the case, Federal workers simply don't show up to work for the last 6 months. The reason? They are using up their sick leave. They can't be paid for it. They additionally have in the neighborhood of 2 weeks plus of vacation that they can cash out if they don't use it.

Now, in the private sector, it is not, in almost any case, a use-it-or-lose-it policy on sick leave. Additionally, a little-known practice, but well used in the Federal service, is the giving away of somebody's sick leave. For example, if somebody in your department or somebody in your organization or the Federal Government were to take on a foster child, there can be a campaign to raise sick leave for that individual so that they would not be unpaid if they had a need for it. No problem, but it comes out of the bank of 13 days per employee per year.

□ 1230

What this bill seeks to do is to grant something that is almost unheard of here in Congress or in the private sector.

And I would like to take a little exception with the gentlelady from New York; we did go and look at the existing programs, and there is no support for 86 percent of House offices provide paid leave, not at all. Paid parental leave as a written policy does not exist in many of the offices, and I would ask the gentlelady to bring proof of her statement because quite frankly she has been misled if she thinks 86 percent of House offices have a formal written policy granting already this privilege that we seek to grant here this year.

The scoring, as I said, Mr. Speaker, is wrong. It is not going to be $850 million, it will be billions of dollars. It will be billions of dollars at a time when Americans are being laid off. It will be billions of dollars at a time when Fortune 100 companies offering either pregnancy-related or disability leave, it is less than one-third of the Fortune 100 companies, which are the most wealthy, most generous companies in America, and less than one-third typically will offer that.

The fact is that unpaid parental leave has become widespread. The leadership of the U.S. House and Senate in passing a bill that granted that to Federal workers is to be commended. The opportunity at one's expense using one's resources to take care of and bond in regards to a choice such as a birth or adoption of a child, is commendable and has become widespread.

If this becomes widespread, we might someday look back and commend it. But today, what we are doing is we are offering Federal workers, workers who, like ourselves, are often chastised by people in the private sector who have to make a payroll, are being given things which they cannot afford.

As is often said on the House floor, 44-plus million Americans don't have health care, and yet we are asking that every Federal worker, in addition to 13 days of paid sick leave, accumulable or borrow-able or giveaway-able, be granted additionally another, what is basically twice that amount, each and every year if they choose to use it.

Mr. Speaker, it is simply wrong to do it. In committee we aggressively tried to amend this to allow them to use resources already available more flexibly. Those were voted down on primarily a party-line basis.

Mr. Speaker, I reserve the balance of my time in anticipation of more things that need to be corrected on the House floor.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as she may consume to

the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. In response to my good friend on the other side of the aisle, I referenced the 2006 U.S. Senate Employment Compensation Hiring and Benefits Study and the 2006 House Compensation Study which has the numbers that I was using on the floor. So we have that documentation for the record.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield such time as he might consume to the stellar chairman of the Committee on Oversight and Government Reform, the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, H.R. 5781, the Federal Employees Paid Parental Leave Act, gives dedicated civil servants a long-overdue benefit: parental leave on the birth or adoption of a child.

Under this bill, Federal employees will, for the first time, be offered 4 weeks of paid parental leave on the birth or adoption of a child. If needed, employees will also be allowed to use their accrued sick leave for additional paid leave.

I was taken aback by the arguments from my colleague from California (Mr. ISSA) that we run the risk of people becoming foster parents each year presumably to get this extra 4 weeks of paid leave. I think that foster parents do an enormous good in providing a home to children who otherwise would not have a place to live. And they, by the way, under existing Federal law, can have paid Federal leave under their sick pay. But if a parent has a natural-born child, they may not use their sick leave nor do they get paid leave for that period of time to bond with the newborn.

Federal employees are entitled to those 12 weeks of unpaid leave under the existing Family and Medical Leave Act. What this bill does is say for the first 4 weeks, this leave will be paid.

The Federal Government is a model employer in many areas. Federal health benefits are often lauded as a model for the rest of the country. Many people say all Americans ought to have the same health care benefits as Federal employees. We have the Federal Thrift Savings Plan which is often cited as a model of what a 401(k) plan ought to be.

But one area where the Federal Government has lagged behind for years is in providing parental leave to its employees. If this becomes law, and I sure hope it will be, we will be able to attract and retain the best employees for the Federal workforce. It means when a Federal agency recruits new employees, they won't have to have one hand tied behind their back because they can't offer leave for the birth of a child, as many private sector companies do.

I think this is a pro-family measure, and I was pleased to hear that our colleague, Congressman Hyde, had always supported this family leave to be paid for Federal employees.

When you look at the civilian workforce for the Department of Defense, they don't get this ability to be at home with the child for the first 4 weeks and have it paid for, but a military family will be allowed under existing law to stay home under paid leave for maternity or adoption. It is unfair to have in one case an employee working next to another employee, both for the same government, and one is allowed to take the leave and have it paid for, and the other has to take the leave and not have it paid for. The loss of income is important to many of these families and they don't want to have that loss of income. We shouldn't put them in that kind of position where we force them to perhaps cut it short and get back to work.

I want to commend Representatives DANNY DAVIS and CAROLYN MALONEY for their efforts on this bill, the Federal Employees Paid Parental Leave Act of 2008. Without their leadership it wouldn't be on the floor today. I also want to thank Ranking Member TOM DAVIS for his support for this legislation and his constructive work in offering an amendment that we agreed to in committee to reduce the cost to the taxpayer. He has been a steadfast champion of the rights of Federal employees, especially those that support families.

I urge my colleagues, support this bill. We don't know yet what the motion to recommit will be, but if it is one of these motions to kill the bill or to come in with something that is not sustainable, I would hope that my colleagues would vote against it and vote for final passage of this legislation.

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

I appreciate the majority providing us reference to the 2006 House Compensation Study that shows even with other people's money, and perhaps no guidance on how to spend it, about 20 percent of the House offices offer little or no, or actually offer no paid leave.

The amazing thing to me is we are here today talking about a new paid leave. I just want to explain for a moment, when congressional offices choose to do paid leave, they do so out of a fixed budget. The majority would have you believe here that we are going to do this out of some fixed budget. We are not. This is going to run up the cost of every office that does everything, from post offices to the Secret Service to the IRS. It is going to run up the cost of these Federal employees. It is going to run it up by quite a bit.

With all due respect to my colleague from California, I am not implying that having foster families is bad; just the opposite, it's good. The question is if you have an active foster parent family and they are being given 4 weeks of paid leave, who is to assume that they won't take it. I believe they will. That will mean for every 12 people doing it, you will have basically the need for an additional Federal worker with all the compensation and benefits that go with it. That is the reality we have here today.

In committee we attempted unsuccessfully to have this be fiscally responsible, recognizing that there are 13 days of paid sick leave every year, fully accumulable so that a typical worker need only borrow from the sick leave that they were eventually going to cash out by not coming to work the last 6 months they are in the Federal workforce, simply use it for this.

I am not implying that the birth of a child is sick, but it is fully usable under the amendments we tried to offer. So it is a little disingenuous for my colleague from California to say that the military can use it and somehow Federal workers couldn't. That could have been taken care of in committee, and it was clearly fought on a partisan basis.

The fact is this bill should be before us today clarifying and taking care of some technical problems in the families being able to take full advantage of the Family and Medical Leave Act by being able to use all of their sick leave, perhaps even borrow against future sick leave, which was proposed, and in fact have their colleagues give them sick leave in order to facilitate their staying home for those 4 weeks or more and not be without pay.

The fact is we are here today dealing with a problem which we should not be spending new money on at a time when the Federal deficit and the Federal spending is far in excess of what the private sector can afford. As people here in Washington and people in California find it impossible to make ends meet with $5 a gallon gasoline, it is irresponsible for us to be adding this multibillion-dollar perk at a time in which, with only technical corrections, we could have provided these people the opportunity to use resources they already had in the way of sick leave and vacation.

With all due respect to Federal workers, I think the majority of Federal workers would say that if they had their choice of this many billions of dollars of new spending, they would just as soon get it up front in pay and they would care of their choices in children, adopted or natural birth, they would take care of it out of their sick leave if they were given the additional dollars. So I think in fact we are doing them a disservice, if we are going to spend the money, of not spending it straightforward in a proper way, and I look forward to attempts to make this technically correct.

And I once again regret that the Rules Committee chose not to allow these technical amendments not to be even considered, but in fact have kept them from debate on the House floor.

I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 1 minute to the chairman of the Committee on Oversight and Government Reform, Representative WAXMAN.

Mr. WAXMAN. If we are going to pay in a straightforward way, let's provide

parental leave and not require people to take it out of their sick leave which they cannot do now, and have that leave paid for. This ought to be for newborn and adopted children and their parents, and we ought to provide this.

I can imagine there might have been a time when people would have said, ''Why should we allow people to be able to take off 2 weeks of vacation a year? Some employers do it, others don't. This is just too radical.''

Well, now no one thinks it is radical to have 2 weeks of vacation a year at least, and I don't think it is radical, I think it is pro-family, in fact, to allow parents to bond with their children and be able to have 4 weeks paid. That is straightforward; 4 weeks paid leave for maternity or paternity and not to hide it in the sick leave, which they may need at some future time if they have an illness. Having a baby is not an illness.

Mr. ISSA. Mr. Speaker, I would like to set the record straight. Sick leave of Federal workers is not limited to people who are sick. The common practice at the end of a career of simply retiring 6 months early to use up accrued sick leave speaks loudly to the fact that sick leave is simply 13 additional days that can be used on a discretionary basis.

The chairman of the full committee knows this very well. And, in fact, we attempted to make it explicit that not only would you be able to use your 13 days plus any accrual, but even borrow in order to make this fiscally neutral, fiscally responsible at this time.

□ 1245

This bill is not about whether or not we allow people to take 4, 6, 8 or 12 weeks of paid leave. In fact, we were more than willing to have the entire 12 weeks of family medical leave be usable, to be able to use its current or even borrow some of its future sick leave.

What this bill is doing here today is saying, you get to keep 3, 4, 5 months of sick leave you already have in the bank. You get to keep your many weeks of vacation, and you get this additional amount. This is something the American people are not prepared to pay for. If we're going to be responsible, we're not going to make the American people pay for this additional back-door increase at this time.

The majority knows this very well, so I, again, repeat, it is disingenuous to say that they can't use their sick leave. In fact, that was something that could have been handled in committee, would have been handled by the amendments that were not ruled in order by the Rules Committee on a purely partisan basis.

In fact, we are considering a bill today that is designed to cost the American people money.

I continue to reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 1 minute to a strong proponent and defender of workers rights, Majority Leader STENY HOYER.

Mr. HOYER. Mr. Speaker, I want to thank Mr. DAVIS from Illinois for yielding. I particularly want to thank my good friend, CAROLYN MALONEY, the distinguished Representative from New York, who has been such a giant on behalf of this issue and family issues generally.

Mr. Speaker, every Member of this body, from the most conservative to the most liberal, shares the conviction that the surest way to improve the quality of life in our Nation is to strengthen our families. Strong families enhance well-being, improve children's self-esteem, and significantly increase the odds that children will succeed in school and grow up to be good parents themselves.

Study after study shows that a strong predictor of child well-being is the degree to which a parent and child bond in the first months of a child's birth. The more constant and nurturing that bond is in the early months of life, the better off the child will be down the road. That is why this is such an incredibly important piece of legislation.

The Federal Government, in many ways, as an employer, has been a leader, not a follower, a leader in efforts to ensure positive employee policies. In fact, the private sector has adopted many of these same policies.

We all know that the 1993 Family and Medical Leave Act has been an outstanding success in helping to promote healthy families. So this is not so much about the mother or the father, it is about the child, and the sense of well-being and groundedness that the child has.

Unfortunately, all too often people who have availed themselves of the law to take care of their newborns, or care for ailing parents, have had to make economic sacrifices because the Family and Medical Leave Act does not entitle anyone to receive an income.

Now, very frankly, it's all good and well for most of us, or all of us that serve in this body to say, well, we could take off 6 weeks without pay. Most of us could do that. Certainly my good friend Mr. ISSA could do that. I could do it.

But very frankly, I have three daughters, and they may be able to rely on Dad to help them do it, but if Dad were not able to do it, they would not be able to do it. They've all had the opportunity to spend time with my three grandchildren as those grandchildren were born in early years, and that was not only beneficial to my grandchildren, it was beneficial to the community in which they will live.

Currently, the Federal Government does not provide paid parental leave to its employees. Employees must use accrued annual and sick leave if they want to maintain an income stream while they're out.

By providing 4 weeks of paid leave to Federal employees, which, by the way, most Members of Congress already do, for their employees for the birth and adoption of a child, H.R. 5781 recognizes that economic security is a critical ingredient in ensuring that parental leave succeeds.

Mr. Speaker, the Federal Government is the Nation's largest employer. It should set a strong, positive example for how the needs of the workplace and the needs of the employees can be balanced, and indeed, the needs of the children can be met. H.R. 5781 is an important step in doing just that.

Again, I congratulate CAROLYN MALONEY, who has been a real leader on this effort for her entire career in the Congress of the United States. I'm so pleased to be her ally in this effort.

I also want to turn to my friend, TOM DAVIS, who himself has been a giant, along with FRANK WOLF, and a partner of mine, in promoting the well-being and appropriate benefits for our Federal employees, on whom this country relies in so many ways to give them a government that is a partner with our private sector in maintaining the greatest country on the face of the earth. And I thank Mr. DAVIS for his leadership.

I'm sorry Mr. DAVIS will be leaving us at the end of the year and will not be serving in the next Congress. And I will say, I am sure, many times, how beneficial his service has been to Federal employees, and how beneficial his service has been to the Washington metropolitan region and, indeed, to the country. And I thank him for his leadership on this particular effort.

Mr. ISSA. Mr. Speaker, I think the leadership said it very well. Of course, they didn't say anything about what we're actually doing here today. This isn't about family unity or bonding. It isn't about mom and dad or the child. This is about a new spending, a new irresponsible spending proposal coming from the Democrats after they promised us fiscal responsibility.

The fact is, we will have our taxes raised. The American people will pay for this in higher taxes in the coming years. They will pay for this after we said it was about your family.

The reality is that there will be layoffs in the private sector. There will be people in the private sector who say, with these new taxes, can we still afford to have health care benefits while, in fact, Federal workers who not only enjoy good health care benefits, good vacation policies, also get more than 2½ weeks a year to be sick.

Now, when the American people discover that an organization, the U.S. government, gives their people 2½ weeks to be sick, and allows them to accrue 6 months of that in case they're ever really sick for a long period of time, and does not require a physician's proof that they actually are sick, and then, when given the opportunity to say, let's use these 2½ plus weeks a year of sick benefits, since they're usable for anything you want to use in the way of time off, let's use

them for time off when you have a child, that, in fact that was turned down as not good enough by the Democrat majority.

It was turned down as clearly we have to add the dollars on top of this, wrongfully estimating $850 million when, in fact, this is billions. This could be fiscally responsible and family-oriented by simply allowing this well-accrued sick leave to be used for this, since it's going to be either used for sick leave, or it's going to be used at the end of a career or before someone leaves government as a general practice. It is seldom simply not used and turned back in.

So, Mr. Speaker, it is very clear from the Democrat leader, that, in fact, this new expense leading to new taxes is, in fact, something that he supports, but calls it family-oriented. It's not family-oriented to the taxpayers in America, to the private sector. It is simply family-oriented to big government.

I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3 minutes to another Member who is actively engaged in workers' rights issues, Representative Chris VAN HOLLEN from Maryland.

Mr. VAN HOLLEN. I thank my colleague, the chairman of the subcommittee, Mr. DAVIS, for all he has done to support Federal employees and workers around this country.

Congratulations to Congresswoman MALONEY for her leadership on this issue over many years. And congratulations on bringing this bill to the floor today. And to the chairman of the full committee, Mr. WAXMAN, thank you for all your efforts as well.

I want to join my colleague, the majority leader, STENY HOYER, in also commending our colleagues from the Virginia side of the river, Mr. TOM DAVIS, who's on the floor, as well as Congressman FRANK WOLF. We've all worked very well together on issues supporting Federal employees and trying to make the Federal Government a model employer, an employer we can be proud of, and someone that tries to set the standard, rather than bring up the rear when it comes to policies for employees and the workforce.

As I think people understand, we are going to face a severe shortage of Federal workers going into the future. Indeed, over the next 5 years, nearly a third of the 1.6 million boomer age members of the Federal workforce are expected to retire. We're going to need hundreds of thousands of new workers to replace those departing Federal employees, and it's going to be essential that we attract new, young workers into the Federal workforce in order to continue the job that they need to do for the American people. And that's one of the reasons why this is an important measure that we need to follow up on.

This is a benefit that is currently enjoyed by employees of most of the Fortune 100 companies today, so we are playing catch-up here at the Federal Government level. We are trying to compete with those in the private sector that are saying to young people, come work for us because we're going to provide you a benefit that doesn't require you to choose between taking a little bit of time to care for your newborn child, and getting a paycheck to help pay for your mortgage or for your rent or putting food on your table. And we think that it's important that people not have to make that choice. So yes, this is a very family-oriented, family-friendly measure.

Don't let anybody kid you, because we don't want people applying to the Federal Government to have to say, well, I'm not going to join because I'm going to be losing money to stay home for a short period of time to take care of a newborn child. I can go work at one of those other companies.

This is a time when we need more folks working in the Federal Government on critical issues like homeland security, like defense, like medical research. We need to replace those individuals who are leaving so that we can make sure that we have a vibrant Federal Government that can address the needs that we've asked of our Federal employees.

I congratulate, again, Congresswoman MALONEY, the chairman of the subcommittee, chairman of the full committee. And I urge my colleagues to adopt what is a very family-friendly measure. We should be leading by example at the Federal level.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume to correct the RECORD.

Mr. Speaker, less than one-third of Fortune 100 companies offer fathers paid leave. Approximately half offer some amount of disability or pregnancy leave in the birth of a natural child. So when you mix and match the richest companies in this country you're going to get less than a third offer anything close to what we're offering here today, not more than half. We're not following.

In fact, when you quote the Fortune 100, by definition, what you're quoting are the very large companies that are normally disparaged by my Democrat colleagues as gouging the public on making too much on oil and other resources.

In fact, what we normally talk about on the House floor and pay tribute to are the small businesses, the entrepreneurial, mom and pop businesses. They're not giving this. They can't afford to.

As a matter of fact, a big part of the 44 million uninsured are because small businesses can't afford health care. They can't afford health, dental, eyeglass. And yet we're giving this benefit.

Now, there was a proposal Mr. VAN HOLLEN said that I think was very appropriate. We do have boomers retiring. In committee we have talked about ways to extend the careers of those baby boomers. The easiest way, one which would be fiscally responsible, as a matter of fact, it would even be a benefit to us and to them, those 6 months that are often used as terminal leave on a retiring senior member of government, if we would simply pay them those 6 months when they retire, it would be the least expensive way to get six additional months from the baby booming retired workforce.

□ 1300

That proposal is dead on arrival apparently for the Democrat majority. That proposal would be a way to extend these significant amount of Federal workers at the time we need them most, which is when they really are senior people able to pass on to the next generation. That soft landing, dead on arrival.

A new costly program, one that less a third of Fortune 100 companies, the richest companies, can even afford in fact is what we're being faced with here today.

I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield 2 minutes to Representative MALONEY of New York.

Mrs. MALONEY of New York. Mr. Speaker, I disagree with my distinguished colleague on the other side of the aisle. I have heard heartbreaking stories from real Federal workers who would strongly disagree with you. I will give one example from a woman who had to go back to work with an open wound due to a C-section while giving birth. And it is not possible to use your paid sick leave. Sick leave is for when you're sick. And by our guidelines, you can use it only when you are incapacitated, when you're in the hospital, or bedridden. And it takes a long time to accrue these.

Now, in terms of costs, the score from the Congressional Budget Office estimates that in 2010, the first full year that this could be implemented, it will cost roughly $190 million. To put this in perspective, this is less than one-tenth of 1 percent of the Federal payroll. The cost estimate predicts that approximately 17,000 women and 23,000 men who have worked for the Federal Government for at least a year and will have a child in the course of a year.

They assumed that mothers will take advantage of this benefit 100 percent of the time, and men roughly 50 percent of the time. This amounts to approximately 1 percent of the Federal workforce using this benefit at a given year.

There are also potential cost savings that can't be estimated by CBO. Providing this benefit will likely improve retention rates for Federal employees. Research shows that women who have access to paid leave, not just unpaid leave, are more likely to return to their jobs after having a child; and access to family leave can also improve productivity and morale. For example, in my office, I offer 12 weeks of paid parental leave to new parents on my staff. I have two current employees

who have used my leave policy twice. Both have been with my office for many years, and I attribute the longevity of their employment to my family leave benefit.

Additionally, in my office we've been able to offer this benefit at no additional cost to taxpayers.

The SPEAKER pro tempore. The gentlewoman's time has expired.

Mr. DAVIS of Illinois. Mr. Speaker, I yield 1 additional minute.

Mrs. MALONEY of New York. I repeat, it has not cost the taxpayer one cent. We have not added additional staff but rather redistributed the work among the rest of the staff. While it does create more work for others, it has also given junior staff members opportunities to assume more responsibility, and it was a relatively smooth transition.

The costs of this bill are relatively small compared to the positive effect that it will have on the lives of working families in the Federal Government. How many times have we heard the words ''family values'' from the other side of the aisle? It is time to turn family values into a reality in the lives of the workforce, and this is a way that we can help Federal workers, the largest employer in the United States, and make this important event in one's life, becoming a parent, really a joyous one in which they do not have to be stressed.

I urge a ''yes'' vote.

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

You know, it's amazing that the gentlelady from New York would make the case that this isn't going to cost much. Of course, no dynamic scoring. They're sort of just looking at track history and then want the dynamic scoring for some intangible savings in Federal worker retention. It's very clear this is going to cost $850 million or more and that it is likely to grow.

More importantly, I'm not somebody who spends a lot of time preaching family values from the dais. But if we're going to talk family values here today, let's talk them. Family values are about family making sacrifices to make things work. Unlike the gentlelady, I find that her example is an excellent example for my point, not her point. No Federal worker is forced to come back with an open wound. In fact, that woman would have been allowed to continue getting paid leave.

Additionally, with more than 2½ weeks of accrued paid medical leave every year, there is no reason that she wouldn't have likely had accruals in her own bank. I love anecdotal examples because they usually make the case for the person delivering them; I would say just the opposite. This woman didn't have to come back. She could use medical leave, and contrary to what the gentlelady from New York is saying, Federal workers are allowed to use their medical, their sick leave in other ways, and they do regularly.

Additionally, there is a whole system within the Federal workforce not really understood by the private sector but supported by this Member which is I can put my unused sick leave into banks to help others. I can even put my vacation, under certain circumstances, in banks to help others. So Federal workers can, in fact, share this very generous more than 2½ weeks of sick leave and 2 weeks of vacation if they choose to.

So when we talk about the Federal family, the Federal family has plenty of resources to help with this.

What we're talking about here is a multibillion-dollar new spending program at a time of recession, at a time of threatened tax increases by the Democrat majority, and at a time when the American people are striving just to fill up the tank with gas and try to figure out how to pay health care benefits. We're looking at new opportunities to increase our own well being.

But we don't and shouldn't come first. The taxpayers and hardworking men and women out there come first. So for this Member, I'm going to tell you I'm not going to put us first, I'm going to put the taxpayers first and vote against this.

I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, can I inquire as to how much time we have left.

The SPEAKER pro tempore. The gentleman from Illinois has 4 minutes remaining, and the gentleman from California has 6.

Mr. DAVIS of Illinois. Mr. Speaker, could I inquire of the gentleman from California if he is prepared to close.

Mr. ISSA. Mr. Speaker, I am prepared to close if he has no other speakers.

Mr. DAVIS of Illinois. Mr. Speaker, I have no other speakers, so if the gentleman will close.

Mr. ISSA. Mr. Speaker, I yield myself the time I may consume.

Mr. Speaker, you have noticed I have spoken with great passion here today about this bill. I would wish that I could be speaking with the passion in the positive, because the Federal workers deserve a bill that we didn't bring to the floor today. They deserve one that would allow for flexibility of sick leave, transferability, transparently to people who are having families, whether by adoption or by natural birth. That is what we should be bringing to the floor.

We could do so at a time of shortages around the country at no cost to the taxpayer. We could do it exactly the way the gentlelady from New York described. Mrs. MALONEY does not get new money for a new perk for her people. She chooses within a budget to in fact provide that benefit. And I commend her for that, and I commend the other Members who make decisions how to allocate a fixed pie of money, whether it's to go on sending constituent mail or providing paying benefits to the employees that answer the mail from constituents.

So today we are not being given the bill we should be given. The bill we should give is to guarantee the ability to not lose pay when taking family medical leave but to use resources that are already available within the Federal system. That's not happening today. I regret that that's not happening. Had we been allowed to bring the amendments that we wanted to bring, we would have accomplished that. Had we been allowed to even bring the technical corrections that would have made this a less-imperfect bill, one that would not cause deadbeat dads to be able to take advantage of this, we would be doing that. We're not allowed to do that today. I regret that.

I hope that this bill is defeated here and/or in the Senate and that we can bring up a truly bipartisan bill, one that would pass, quite frankly, on suspension if it was structured right, and would provide Federal workers this opportunity without additional costs to the taxpayers.

I thank the Speaker, and I thank my colleagues on the other side of the aisle for a spirited debate.

I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I would yield myself the rest of our time to close.

Mr. Speaker, it has been a rather spirited discussion and debate, and I'm reminded of the fact that we often compare public employees with private employees. And I know that we have amongst us Members who like the idea of downsizing government, of privatizing operations, of outsourcing activities. I believe that our public employees can in fact be the best that we help and allow them to become.

I believe that we can recruit the best and the brightest. But I also believe that if you want production, then you have to make sure that you are treating your employees fairly. Let's be clear. Federal employees are only able to accumulate a maximum of 30 days of annual leave, not an adequate amount of time for purposes of providing care for a newborn or adopted child.

Early in their careers when they're earning only 13 to 20 days per year, accumulating even 30 days is nearly impossible. Yet the early years of one's career usually coincide with the time that they decide to have children. And so it's the young, new employees who have not accumulated a great deal of time, who, in many instances, are either giving birth or adopting children.

So if we're going to be able to recruit, we have to try and make sure that we can attract.

We also need to be family friendly. Not only do we need this bill, but in reality, we really need childcare centers in all of our agencies. We need daycare programs so that people who have to work can know that there is the adequacy of opportunity to care for their children.

So providing this legislation the opportunity to live, providing individuals who are bearing children or adopting children the time that they need to bond with a newborn or to bond with

an adopted child I think is not only a rational, sensible approach but I also want to extend commendations again to my colleague from New York, Representative CAROL MALONEY, who has led the fight on this issue for such a long time. And it is as a result of her tremendous efforts and the great work of our staffs that we are here this afternoon preparing to move another step towards making sure that we have the kind of workforce that our Federal Government needs. You can't lead where you don't go. And you can't teach what you don't know.

Mr. KUCINICH. Mr. Speaker, I would like to start by thanking Representative MALONEY for her dedicated work to ensure 4 weeks of paid parental leave for Federal employees. H.R. 5781 is a significant step forward to ensuring the well-being of our Nation's children and parents.

Furthermore, under this bill Federal employees can use up to 8 additional weeks of accrued sick leave in connection with the birth or adoption of a child.

Paid parental leave benefits have many beneficial aspects for our workforce. Perhaps the most important aspect of paid parental leave is that it gives parents the ability to take care of the vital needs of their child without incurring the financial hardships associated with unpaid leave. Working families employed by the Federal Government should not have to choose between their child's well-being and their financial stability.

Paid parental leave has also been shown to provide increased productivity and employee morale. Additionally, it will have the important effect of helping to recruit and maintain the highest quality workforce.

Copious research confirms what common sense tells us: it is important for parents to have time to bond with and attend to the health and development of their children. Our families and communities are better off when parents are able to have this critical time with their children.

Mr. MORAN of Virginia. Mr. Speaker, I rise today in support of the Federal Employees Paid Parental Leave Act. The legislation will provide a necessary update to the current statute and takes an important step forward for workers rights and benefits. As one of the original cosponsors of this legislation during the past several sessions of Congress, I am pleased that the leadership is moving the bill for consideration before the full House of Representatives.

Since its first passage in 1993, the Family and Medical Leave Act has provided Federal employees with unpaid leave to care for families, allowing for time off at the birth, adoption, or foster placement of a child. Upon the completion of this leave, Federal employees can return to their position without penalty. Now, 15 years later, the law needs to be updated to reflect the changing needs of families.

The Federal Employees Paid Parental Leave Act of 2008 does just that. This new act guarantees at a minimum 4 weeks of paid leave to Federal employees—both fathers and mothers—to care for new children in their families.

This additional benefit is vital because of the need for the Federal Government to compete with the private sector for quality recruits and retaining experienced employees. At one time, the Federal Government provided the best benefits, but it is falling sorely behind in this area. Currently, 75 percent of Fortune 100 Companies provide paid leave to new mothers. Further, the United States is the only industrialized country that does not provide benefits to its employees with new children.

As the Federal workforce ages and begins to experience anticipated shortages in critical skills, we must rely on our benefits rather than pay to attract and retain new employees. Studies show that new parents who have access to leave when their first child is born are more likely to stay with their employer than those who do not. Moreover, retention of these employees easily compensates for the extra leave this legislation provides. The average cost of turnover in a position is about 20 percent of an employee's annual salary. On the other hand, 4 weeks of paid leave costs less than 8 percent of an employee's salary.

Finally, this legislation recognizes key changes to the American economy. Most families no longer have a stay-at-home parent, and with the average middle class family spending nearly $11,000 on infant expenses, they cannot afford any amount of unpaid leave. With the current economic downturn, working families simply cannot afford to take any time off while paying childcare expenses along with increased food and fuel prices. Something in the system has to provide some relief to these new parents, and with this legislation, we can provide some help.

Mr. Speaker, for all of these reasons, I urge my colleagues to support the Federal Employees Paid Leave Act of 2008.

Mr. LANGEVIN. Mr. Speaker, I rise in support of H.R. 5781, the Federal Employees Paid Parental Leave Act, which would provide 4 weeks of paid parental leave and 8 weeks of unpaid leave for all Federal employees after the birth or adoption of a child. Under this measure, these employees may also use accrued annual or sick leave to receive compensation for the unpaid weeks. Currently, employees may take up to 12 weeks of unpaid leave under the Family and Medical Leave Act to care for a newborn or adopted child.

H.R. 5781 will help the United States Government compete with the private sector in order to recruit the best and brightest employees and retain that talent. In 2007, a Government Accountability Office report found that countries offering paid parental leave experienced increased employee retention and a reduction in the amount of time women spend out of the workforce. Disappointingly, the GAO also reported that the U.S. lags behind other industrial nations in providing policies that support working parents and their children. In fact, 169 countries guarantee women leave with income in connection with childbirth.

The U.S. Census Bureau reports that women are more likely to work before and after pregnancy than they were 30 to 40 years ago, and Congress must legislate according to the changing makeup of our workforce. So far, we have not met that mark. I know that many of my colleagues have already met or exceeded the requirements of this bill, and I applaud their efforts. I know from firsthand experience that allowing new parents guaranteed paid leave helps balance the demands between work and family. For the hard work they provide for us, we owe our employees the time to enjoy the bonds that matter most in their lives.

I strongly urge my colleagues to support this measure. It is time that the Federal Government sets the standard for working parent policies.

Mr. GEORGE MILLER of California. Mr. Speaker, today, with the passage of H.R. 5781, The Federal Employees Paid Parental Leave Act of 2008, Congress will finally recognize the vital importance of providing paid parental leave to millions of families who want to start a family.

I would like to thank Congresswoman CAROLYN MALONEY who first introduced this legislation and urge my colleagues to support this important measure.

Currently, there is no paid Federal parental leave policy. If Federal employees wish to start a family or expand their family, they must take unpaid leave or cash in their sick or vacation days so that they may continue receiving an income while they are at home.

With the rising prices of food and gas, unpaid leave poses an even greater economic hardship for working families, not to mention the extra costs that are associated with providing for a newborn.

Unfortunately, the absence of a family leave policy for Federal workers forces mothers and fathers choose what is more important: either stay at home with their infant and forgo a steady income or head back to work without spending adequate recovery or bonding time with their newborn.

The Federal Government lags behind the private sector in this area. The current lack of a parental leave policy for our Federal employees impairs efforts to hire and retain the best and the brightest our Nation has to offer.

Family-friendly policies like guaranteed paid leave not only help parents balance work and family, but will also help ease our, impending Federal personnel crisis. Federal employers will benefit from increased retention rates, decreased absenteeism, and improved productivity.

Several States have taken the lead to provide coverage for employees. In fact, over 6 years ago, California successfully enacted a paid parental leave law and it has been a great success. New Jersey recently passed a similar law in April and several other States even cover maternity under their disability insurance laws.

H.R. 5781 seeks to amend the current Federal family leave policy by allowing mothers and fathers up to 4 weeks of *paid* lave for the birth or adoption of a child. Federal employees should not have to make choice between their family and their job but should be covered under a fair, paid parental eave policy.

I urge my colleagues to support H.R. 5781, The Federal Employees Paid Parental Leave Act.

Mrs. CAPPS. Mr. Speaker, I rise today in strong support of H.R. 5781, the Federal Employees Paid Parental Leave Act.

It is long overdue for our Nation's largest employer, the Federal Government, to provide its employees with a more family-friendly workplace.

It is hard to believe the United States is the only industrialized nation that does not provide its employees with paid family leave, especially considering 75 percent of Fortune 100 companies already provide an average of six to eight weeks of paid parental leave.

H.R. 5781 would provide Federal employees with four weeks of paid leave following the birth or adoption of a child. Currently, new parents have to use vacation time, if they have it, or accept unpaid leave to care for a new child.

This puts incredible economic strain on Federal employees and their families. Considering the current economic downturn, forgoing several weeks' pay at the same time one's household expenses increase for newborn care leaves many families in a desperate financial situation.

Yet President Bush has again ignored the needs of the American people, and threatened to veto this important bill based on a bogus claim of fiscal responsibility.

During these times of economic troubles, the President's charade of fiscal conservatism is hurting our economy, hurting our workforce, and hurting American families.

All of us here in Congress appreciate the value and importance of public service. Federal workers have chosen a career in public service, and they should be rewarded with fair benefits.

It is time to finally give Federal employees the benefits they deserve. I urge my colleagues to join me in voting "yes" H.R. 5781.

Mr. UDALL of Colorado. Mr. Speaker, I rise today in support of H.R. 5781, the Federal Employees Paid Parental Leave Act.

As most employers will tell you, the success of their operations depends on the quality of their employees. The same is true for the actions of the Federal Government. Our Nation's federal employees choose their path in government for love of country and dedication to our common goals. On the other hand, parents need to be able to create a bond with their new children. This bill seeks to remove the dilemma faced by many federal employees—choosing between government service or serving the best interests of children newly added to their families.

Under current law, federal employees are allowed up to 12 weeks of unpaid leave in a given year for the birth or adoption of a child. But like many other Americans, many federal employees cannot afford to take unpaid leave, especially with a new member of the family to support. Paid sick leave may only be used for the period that a new mother has been rendered physically incapacitated by the birth of her child, effectively penalizing those mothers who have a healthy baby with no complications. Federal employees can use paid vacation days, but the 13 days of annual leave after completing a full year of work, or even the maximum 30 days of leave saved up over several years, remains a small time frame for a parent to establish a bond with their new child.

H.R. 5781 would provide four weeks—just a single month—of paid parental leave for federal employees to establish a bond with their new child. It is important to note that many successful companies offer up to twice that amount, as evidenced by the 75 percent of Fortune 100 companies that offer six to eight weeks of paid parental leave for new mothers.

Americans want their Federal Government to operate as smoothly and as efficiently as possible. To accomplish this, we need the highest quality employees running it and focusing on national priorities such as homeland security and health care. This bill will help the Federal Government attract and maintain talented employees who value family as much as they value serving our Nation's government.

Mr. GRIJALVA. Mr. Speaker, I rise today in support of H.R. 5781, Federal Employees Paid Parental Leave Act of 2008.

Work and family are pillars of our society, and a sensible and humane government should seek to relieve the stresses one can place on the other. For this reason, I am glad to support this important piece of legislation, the Federal Employees Paid Parental Leave Act of 2008.

This Act will grant guaranteed paid parental leave to federal workers who do not presently have it. This is especially important for younger workers who have not had time to accrue an adequate amount of paid leave.

Paid leave is critical to new families so that new parents can worry about the care of their child and not their financial security. The possibility of a relatively relaxed immediate postnatal period is necessary for parent-child bonding, and ultimately for the well-being of the child and the family.

This Act also makes the Federal Government a much more competitive employer. This law is not just humane, it is necessary as a practical matter for the Federal Government. According to a March 2008 report by the Joint Economic Committee Majority Staff, nearly all Fortune 100 firms offer working parents some paid time off when they have a new child. Bringing the Federal Government in line with the personnel practices of the most competitive employers will also pay further dividends by reducing costs related to worker turnover, replacement and retraining.

H.R. 5781 is a necessary and welcome step in making the federal workplace more family-friendly, and, ultimately, strengthening families and building a just, prosperous, and healthy society. I am glad to vote for its passage and look forward to seeing it go into effect.

Mr. DAVIS of Illinois. I urge passage of this legislation and yield back the balance of our time.

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT NO. 1 OFFERED BY MR. DAVIS OF ILLINOIS

Mr. DAVIS of Illinois. Mr. Speaker, I have an amendment at the desk.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 printed in House Report 110–718 offered by Mr. DAVIS of Illinois:

Page 3, line 7, strike ''subchapter'' and insert ''subsection''.

Page 3, beginning on line 8, strike ''require—'' and all that follows through line 17, and insert ''require that an employee first use all or any portion of the leave described in subparagraph (B) of paragraph (3) before being allowed to use the paid parental leave described in subparagraph (A) of paragraph (3).''.

Page 4, line 11, strike ''of the following factors'' and insert ''of—''.

Page 4, line 13, strike ''offering paid'' and insert ''offering increased paid''.

Page 5, line 3, strike ''(4)(B)'' and insert ''(4)''.

Page 5, line 7, strike ''amendments'' and insert ''amendment''.

Page 5, line 17, insert ''of such Act'' after ''section 102(a)(1)(A) and (B)''.

Page 6, beginning on line 2, strike ''subparagraphs'' and insert ''subparagraph''.

Page 6, line 20, strike ''section'' and insert ''subsection''.

Page 6, beginning on line 21, strike ''require—'' and all that follows through page 7, line 5, and insert ''require that an employee first use all or any portion of the leave described in subparagraph (B) of paragraph (2) before being allowed to use the paid parental leave described in subparagraph (A) of paragraph (2).''.

Page 7, line 17, strike ''amendments'' and insert ''amendment''.

Page 8, line 4, strike ''Section'' and insert ''(a) AMENDMENT TO FAMILY AND MEDICAL LEAVE ACT OF 1993.—Section''.

Page 8, line 11, strike ''subparagraphs'' and insert ''subparagraph''.

Page 8, line 18, strike ''paragraph (1)'' and insert ''subparagraph (A)''.

Page 9, beginning on line 4, strike ''require—'' and all that follows through line 15, and insert ''require that an employee first use all or any portion of the leave described in clause (ii) of subparagraph (B) before being allowed to use the paid parental leave described in clause (i) of such subparagraph.''.

Page 9, line 20, strike ''employers'' and insert ''the employer''.

Page 9, line 23, strike ''employers'' and insert ''employer''.

Page 10, after line 2, insert the following:

(b) EFFECTIVE DATE.—The amendment made by this section shall not be effective with respect to any birth or placement occurring before the end of the 6-month period beginning on the date of the enactment of this Act.

Strike section 5.

The SPEAKER pro tempore. Pursuant to House Resolution 1277, the gentleman from Illinois (Mr. DAVIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. DAVIS of Illinois. Thank you, Mr. Speaker, and I yield myself such time as I may consume.

Mr. Speaker, while the manager's amendment being offered does not make any substantive legislative changes to the bill's underlying purpose, it does make in order several minor technical changes that are designed to streamline the bill's language so that the House-passed bill will mirror language currently being considered in the Senate.

Most of these changes involve drafting edits and modifications through the bill's layout and structure. All of these changes are technical in nature. However, they are important to ensuring the swift passage of the measure.

The manager's amendment also strikes section 5 of H.R. 5781. This section of the bill entitled ''Study'' originally directed the Government Accountability Office to study and submit to Congress a written report of the feasibility and desirability of offering an insurance benefit to Federal employees not to include parental leave that would provide wage replacement during periods related to a serious health condition.

□ 1315

I am asking that this language be removed from the bill since GAO, at my request, has already agreed to perform a study that will analyze disability insurance benefits that are currently being offered by States, local governments and the private sector. I ask that a copy of the GAO acceptance letter regarding the disability insurance

benefit study be included in the RECORD.

Lastly, Mr. Speaker, the amendment at the desk would apply an effective date to all provisions of the bill. H.R. 5781, as reported out of committee, provided for two provisions of the act to go into effect 6 months from the date of enactment of the act. All we're asking for in the manager's amendment is that the same effective date be applied to the remaining section of the bill, which speaks specifically to extending paid parental leave to those that work at the Library of Congress or the Government Accountability Office.

While the amendment I am offering this afternoon does nothing to change these aspects of the bill, it does strengthen the measure by clarifying and streamlining certain provisions of the bill. Therefore, I ask that my colleagues join me in supporting this simple amendment.

GOVERNMENT ACCOUNTABILITY OFFICE,
Washington, DC, June 10, 2008.

Hon. DANNY K. DAVIS,
Chairman, Subcommittee on Fereral Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform, House of Representatives.

DEAR MR. CHAIRMAN: We received your letter dated June 2, 2008, requesting that the Government Accountability Office review the feasibility and desirability of providing an insurance benefit to federal employees which would provide partial or total wage replacement.

GAO accepts your request as work that is within the scope of its authority. To fully respond to your request, GAO plans to initiate work on this project in about five months when it is expected that staff with the required skills will be available. Your request has been assigned to Ms. Cynthia M. Fagnoni, Managing Director, Education, Workforce, and Income Security. Ms. Fagnoni or a member of her team will contact Ms. Lori Hayman to discuss the request and options for helping you meet your needs. As applicable, we will also be in contact with the cognizant Inspector General's office to ensure that we are not duplicating efforts. If an issue arises during this coordination, we will consult with you regarding its resolution.

If you have any questions, please contact Ms. Fagnoni at 202–512–7202 or Ms. Elizabeth Johnston, Assistant Director, Congressional Relations, on my staff at 202–512–6345.

Sincerely yours,

RALPH DAWN,
Managing Director, Congressional Relations.

I reserve the balance of my time.

Mr. ISSA. I rise to claim time in opposition in order to engage in a colloquy with my colleague.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. ISSA. I yield myself such time as I may consume.

Mr. DAVIS, I hope I understood you correctly so that I could withdraw any objection. I, too, share a belief that the committee of jurisdiction, the Committee on Oversight and Government Reform, since we ordered the GAO to make these studies and they routinely, of course, grant them, I don't see that it should be in the bill. But I'm a little bit confused about whether or not your request and the acceptance matches the study that was described in the bill.

I yield to you so you could clear that up for me.

Mr. DAVIS of Illinois. I agree that we routinely ask the Government Accountability Office to make studies, to provide information, to give us the kind of information that we need, sometimes in much time, to make the most rational, logical and adequate decisions.

We simply ask in the legislation or indicate in the legislation that we've already asked them to do that and they have already agreed, and that's why we asked that the letter be included indicating their agreement.

Mr. ISSA. Reclaiming my time, so if the gentleman would assure me that if the GAO does not agree to do a study that is commensurate with the one described in the legislation, that he would join with me in asking for that nuance-specific study, then I'd be happy to withdraw because I think his amendment is fully in order if we can assure that.

Mr. DAVIS of Illinois. Well, if you would like, I can tell you here is what the response from the GAO is.

''We received your letter dated June 2, 2008, requesting that the Government Accountability Office review the feasibility and desirability of providing an insurance benefit to Federal employees which would provide partial or total wage replacement.''

''GAO accepts your request as work that is within the scope of its authority.''

Mr. ISSA. Mr. Speaker, I would withdraw my opposition and urge support for the amendment.

I yield back my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield back the balance of our time and urge passage of this amendment.

The SPEAKER pro tempore. Pursuant to House Resolution 1277, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from Illinois (Mr. DAVIS).

The question is on the amendment by the gentleman from Illinois.

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

Mr. DAVIS of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 422, nays 0, not voting 11, as follows:

[Roll No. 426]

YEAS—422

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Cazayoux
Chabot
Chandler
Childers
Clarke
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gillibrand
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher

Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Scalise
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Speier
Spratt
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield (KY)
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wittman (VA)
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—11

Clay
Gilchrest
Gingrey
Hulshof
Loebsack
Meeks (NY)
Reynolds
Rush
Stark
Tiahrt
Wolf

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes left in the vote.

□ 1342

Messrs. PORTER and PEARCE and Ms. SCHWARTZ changed their vote from ''nay'' to ''yea.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 18, 2008.

Hon. NANCY PELOSI,
The Speaker, House of Representatives, Washington, DC.

DEAR MADAM SPEAKER: I have the honor to transmit herewith a scanned copy of a letter received from Ms. Linda H. Lamone, Administrator, Maryland State Board of Elections, indicating that, according to the unofficial returns of the Special Election held June 17, 2008, the Honorable Donna Edwards was elected Representative to Congress for the Fourth Congressional District, State of Maryland.

With best wishes, I am

Sincerely,

LORRAINE C. MILLER,
Clerk.

Enclosure.

MARYLAND
STATE BOARD OF ELECTIONS,
Annapolis, MD, June 18, 2008.

Hon. LORRAINE C. MILLER
Clerk, House of Representatives, The Capitol, Washington, DC.

DEAR MS. MILLER: This letter is to advise you that the unofficial results of the Special Election held on Tuesday, June 17, 2008, for Representative in Congress from the Fourth Congressional District of Maryland show that Donna Edwards received 15,381 votes or 80 percent of the total number of votes cast for that office on election day excluding absentee and provisional ballots.

It would appear from these unofficial results that Donna Edwards will be certified as the Representative in Congress from Fourth Congressional District of Maryland.

As of the date of this letter, there is no contest to this election.

As soon as the official results are certified, an official Certificate of Election will be prepared for transmittal as required by law.

Sincerely,

LINDA H. LAMONE,
Administrator.

SWEARING IN OF THE HONORABLE DONNA EDWARDS, OF MARYLAND, AS A MEMBER OF THE HOUSE

Mr. HOYER. Madam Speaker, I ask unanimous consent that the gentlewoman from Maryland, the Honorable DONNA EDWARDS, be permitted to take the oath of office today.

Her certificate of election has not arrived, but there is no contest and no question has been raised with regard to her election.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER. Will Representative-elect EDWARDS and the members of the Maryland delegation present themselves in the well.

Ms. EDWARDS of Maryland appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear or affirm that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion; and that you will well and faithfully discharge the duties of the office on which you are about to enter, so help you God.

The SPEAKER. Congratulations. You are now a Member of the 110th Congress.

WELCOMING THE HONORABLE DONNA EDWARDS TO THE HOUSE OF REPRESENTATIVES

The SPEAKER. Without objection, the gentleman from Maryland (Mr. HOYER), the distinguished majority leader, is recognized for 1 minute.

There was no objection.

Mr. HOYER. I thank the distinguished Speaker for recognizing me for this delightful opportunity.

Madam Speaker, you will appreciate this as much as anybody in this House. I was elected in a special election on January of 1981, actually May of 1981. The Maryland delegation had eight members. Fifty percent of the members of the Maryland House were women, Mrs. Holt, a Republican, Mrs. Spellman, my predecessor who had a cardiac arrest and her seat was declared vacant, Mrs. Byron, a distinguished wife and daughter-in-law of two Members of Congress, and actually there were four Byrons that served in the Congress of the United States, and BARBARA MIKULSKI, were all members of the Maryland delegation.

It was a wonderful delegation. One by one, those women left for one reason or another. Senator MIKULSKI, of course, became the first woman elected to the United States Senate without a relative preceding her.

One by one, they were replaced by a male. Those were good males, I want you to know. But our delegation became an all-male delegation. It was, to that extent, not fully representative of the people of our State. We have been advantaged now, not only because Marylanders have elected an extraordinary individual to serve them. She is a highly educated individual. She traveled throughout the world. Her father served in the Air Force. She is well educated. She didn't go to the University of Maryland, which was a lamentable fact, but she went to a great school, Wake Forest University. She got her law degree in New Hampshire. She has served the community well and has served citizens' organizations well.

So in a very real sense, she has been a representative for a very long period of time. This day, however, she begins her career as a representative elected by the constituents of the Fourth Congressional District.

Madam Speaker, I know that I speak on behalf of yourself, on behalf of all the Members of the House and certainly on behalf, DONNA, of the Maryland delegation, we are extraordinarily proud that you have joined us. Our delegation will be stronger, better and more representative because of that. And this institution will be stronger for the strong advocacy that you will bring on behalf not just of the people of the Fourth Congressional District, but the people of this Nation.

Ladies and gentlemen, I am deeply honored to introduce to you a young woman to whom some years ago I gave an appointment to the United States Air Force Academy. She determined that she was going to go to Wake Forest. But she has been my friend for a long time. Ladies and gentlemen, the newest Member of this body, DONNA EDWARDS from the Fourth Congressional District.

She is a mother, lawyer, and long-time community activist and organizer.

Born in Yanterville, North Carolina, she moved frequently as a child.

Her father was in the Air Force, and she traveled throughout the country and world.

She graduated from Wake Forest University and later the Franklin Pierce Law Center (in New Hampshire).

Before attending law school, she worked as a contractor for Lockheed Corporation at Goddard Space Flight Center in Greenbelt.

After law school, she clerked for a superior court judge in Washington, co-founded the National Network To End Domestic Violence, and

became executive director of the Arca Foundation, which gives grants to civic groups, organizations that study the media, and public policy groups.

She helped lead the fight to pass the Violence Against Women Act, providing comprehensive funding to shelter and offer services to victims of domestic violence and their children.

The Washington Post has called her "bright" and "tough-minded" and recently said: "Poised, persistent and principled, she would make a fine representative for the fourth district" of Maryland.

Ms. EDWARDS of Maryland. Madam Speaker, Leader BOEHNER, our majority leader and the dean of our delegation of the great State of Maryland, our Senators, BARBARA MIKULSKI and BEN CARDIN, thank you. I'm so glad that you could be here today, and to our entire delegation from Maryland, I am humbled and honored to be here in the people's House. And I want to thank my mother, Mary, and my sisters, Janice, Bonnie and Rhonda, my brother, Michael, and my son, Jared, for being here with me today and being so supportive of me.

As I swore to defend and protect the Constitution of the United States, I recall the oath that my brother, John, took when he was just 18 years old, joining the United States Air Force at the height of the Vietnam War. And most especially I thought of my father, John Edwards, who swore the same oath when he joined the United States Air Force as a young man and served in a career of great honor, dignity and service to this country.

And what I thought is that I am so proud to be able to take that same oath to serve the people of the Fourth Congressional District and to serve the United States Congress and the people of this country.

I'm standing here today on a very historic day, Juneteenth. And as the first African American woman to represent the great State of Maryland here in this Capitol and on the shoulders of all of our forefathers and foremothers who took that journey to freedom, I am so proud and humble to be here with my constituents throughout the Fourth Congressional District, Montgomery and Prince George's Counties, united across race, religion, class, income, heritage and culture and all of the things that are the false lines that divide us. But we're united as a congressional district, and we're as united as we can be as a country. And in some micro way, in our Fourth Congressional District, I think that we're fulfilling the dream of this entire Nation.

Last February in Maryland's Fourth District, we sent a strong message that it's time for a change across the Potomac and up to this Hill. And this past Tuesday, they sent another message. They said "change can't wait until next year." And so today I'm an agent of change and an agent of their mandate. And America's profile, though slightly tarnished around the world and with our economy teetering slightly here at home, we can only hope that we don't wait for that change to happen until next January, that my constituents have said to me, we can't wait for change to begin. We can't wait 6 months to do something about foreclosures forcing thousands of Marylanders, thousands of people across this country and in Prince George's and Montgomery Counties away from their homes. And we can't wait 6 months to address skyrocketing costs of gas and groceries while we engage in short-term solutions that abound without focusing on the long-term solutions for alternative energy and things that really will propel us through this 21st century.

I just want to say in closing that our brave servicemen and women, many of them like my brother and my father, can't wait for change either. And people do need help now. And so, more than anything else, I want to join with you in making that change happen. I know that this House is filled with an awfully lot of really good-hearted people who represent congressional districts just like mine across the country. And they're asking us to come together. And I want us to answer that call together. And so I'm here with my sleeves rolled up, and I'm ready to work. And I'm ready to get started, just as you are, in serving the people of the Fourth Congressional District and this country.

Thank you very much.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Under clause 5(d) of rule XX, the Chair announces to the House that, in light of the administration of the oath of office to the gentlewoman from Maryland (Ms. EDWARDS), the whole number of the House is 435.

FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT OF 2008

The SPEAKER pro tempore (Mr. BLUMENAUER). 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. JORDAN OF OHIO

Mr. JORDAN of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. JORDAN of Ohio. In its present form, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Jordan of Ohio moves to recommit the bill (H.R. 5781) to the Committee on Oversight and Government Reform with instructions to report the bill back to the House promptly in the form to which it may be perfected at the time of this motion with the following amendments:

In the matter proposed to be inserted by section 2(a)(3) of the bill, insert at the end the following:

''(7) An employee who is a father and who is not in compliance with a court ordered child support arrangement shall not be eligible for any paid leave under paragraph (2).''.

In the matter proposed to be inserted by section 3(a)(3) of the bill, insert at the end the following:

''(5) EXCLUSION OF DEADBEAT DADS.—An employee who is a father and who is not in compliance with a court ordered child support arrangement shall not be eligible for any paid leave under this subsection.''.

In the matter proposed to be inserted by section 4 of the bill, insert at the end the following:

''(E) EXCLUSION OF DEADBEAT DADS.—An employee who is a father and who is not in compliance with a court ordered child support arrangement shall not be eligible for any paid leave under this paragraph.''.

Mr. JORDAN of Ohio (during the reading). I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio is recognized for 5 minutes in support of his motion.

□ 1400

Mr. JORDAN of Ohio. Mr. Speaker, I offer this motion to recommit with instructions.

This motion to recommit is simple and straightforward, one of these important issues that I think we can all agree on, and, frankly, an issue I would have brought as an amendment in committee if I had thought about the idea then. It says that people who are not compliant with their court-ordered child support arrangements, deadbeat dads, are not eligible for the expanded Federal benefits included in the bill.

This motion sends a clear message to the American people that we have respect for their hard-earned tax dollars they send to Washington, DC. The underlying bill, however, sends a far different message about the priorities of the majority party in Congress.

Think about it: American families are paying more than $4 a gallon for gasoline, but are we acting to bring more energy to this country? America faces unprecedented terrorist threats from abroad, but are we renewing legislation to help better secure the homeland? Are we addressing out-of-control Federal spending? Are we acting to better secure our borders? We are approaching a $10 trillion national debt, a problem that threatens our Nation's economic future, but are we cutting spending or reforming the out-of-control earmark process?

Here is what Congress is doing, Mr. Speaker. Congress is spending its time and energy on H.R. 5781, a bill to give Federal bureaucrats, including deadbeat dads, a new handout, a vast expansion to the already generous benefits package they receive at the expense of

the American taxpayer, at the expense of every single American family. That is our priority? That is our answer to $4 gasoline, expanding benefits to Washington bureaucrats and deadbeat dads?

I ask you, Mr. Speaker, what will you tell the folks about back home? What will you tell the folks who are worried about the economy, worried about higher taxes on the horizon, worried about paying more than $4 a gallon for gasoline for the rest of the summer? Will you tell them not to worry, that their problems belong on the back burner? That the priority of their Member of Congress is to take their tax dollars and expand the benefits package of deadbeat dads in the Federal workplace? Will you tell them that these deadbeat dads, who already receive among the richest benefit packages in the Nation, are more deserving of relief than law-abiding families and taxpayers of your district who are paying $4 a gallon for gasoline?

Mr. Speaker, like most issues, the people get it. The American people know what the priorities of Congress should be. Millions of them have signed petitions and communicated to our offices that we need to focus on their priorities. They know our priorities should not be giving deadbeat dads a new taxpayer-funded benefit. They know we should adopt this motion to recommit and move on with the important business facing our Nation.

Mr. Speaker, there is another old line that I think is appropriate. ''Most politicians don't see the light; they feel the heat.'' With $4 gasoline, possibly headed for $5 this summer, can you handle the heat you will feel back home once your constituents find out that your priority is to lend a hand to deadbeat dads, or will you see the light and join me in supporting this motion to recommit?

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

Mr. WAXMAN. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. WAXMAN. Mr. Speaker, there they go again, coming up with a gimmick because they don't want the underlying bill. If they don't want the underlying bill, let them vote no. But what they have offered instead is a motion to recommit promptly, which kills the bill. So I would urge all of my colleagues who believe that parents ought to be able to bond with their children and have a paid family leave on the birth of a child or the adoption of a newborn, that they vote against this motion to recommit.

Federal law is very clear. If you are behind in your child support payments, you can get your wages garnished. That means there is an automatic reduction in your paycheck to pay for the support of your children. The fact is that no one who is behind in childcare can get paid parental leave. The reason is their wages will already be garnished. That is why this amendment is a gimmick.

No amendment like this was offered in our committee. This was never brought up in our deliberations. In fact, the gentleman was very clear in his arguments for the motion to recommit. He is against the bill. He was against the bill in committee, and he is against the bill now.

Now, I think we ought to understand that if this were a serious amendment, it would have been a ''forthwith'' motion. But it is not. It is a ''promptly'' motion to kill the bill.

There are 400,000 civilian DOD employees around the Nation. They have been working overtime to protect our Nation, often serving in Iraq and Afghanistan. But what this motion says to them, and to all other hard-working Federal employees, is you won't get any paid leave, and if you are sick and have used up your leave, you can't take the time to bond with your family.

It is wrong, it is anti-family, and I believe this motion to recommit should be defeated. It is like so many other motions to recommit that we have seen on this floor. When it is designed ''promptly,'' it sends the bill back to the committee, and those who didn't like it in committee will fight it some more. But if you are for this bill, vote against the motion to recommit and vote ''yes'' on final passage.

I would like to yield the balance of the time to the gentleman from Maryland (Mr. HOYER), our majority leader.

Mr. HOYER. I thank the chairman for yielding, and I thank him for his work on this bill. I thank Mrs. MALONEY as well.

Ladies and gentlemen of the House, I would hope we would defeat this motion. Again, this is a motion to recommit promptly. If in fact the motion maker wanted to change the substance and offer an amendment that would go into effect, he would have offered a motion to amend and report back forthwith. The effect of this motion, as we all know, is to delay for some period of time the passage of this bill. My friend from Georgia will get up and ask the rhetorical question that we all know the answer to, does it kill it? It does not kill it. But, my friends, we have 5 legislative days to go in this session before we break. We ought to pass this bill now. We ought to pass this bill and tell the Federal employees of this country, who work for all of us, all 300 million of us, some 2 million civilian Federal employees, that we honor their service.

But, more importantly, this is not just about those who will get leave. It is, as I said in my statement, much more about the children, who will have better nurturing and a sense of self-confidence in their early months of life. Scientist after scientist, educator after educator, tell us that if that occurs, if that bonding occurs in the early months, children are much better off, and if those children are better off, our communities and our society and our families are better off.

I would ask all my colleagues to oppose this motion. Pass this bill. Say to the children who are perhaps yet to be born and have just been born, we want to ensure the best start we can for you in life in America.

The SPEAKER pro tempore. All time has expired.

PARLIAMENTARY INQUIRY

Mr. WESTMORELAND. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. Please state the inquiry.

Mr. WESTMORELAND. I feel like I know the answer to this, but if this motion should pass, could the bill not be referred back to the committee from which it came and be reported out the next legislative day?

The SPEAKER pro tempore. As the Chair reaffirmed on November 15, 2007, and a couple of times after that, at some subsequent time the committee could meet and report the bill back to the House.

The SPEAKER pro tempore. Without objection, the previous question 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. JORDAN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—yeas 206, nays 220, not voting 8, as follows:

[Roll No. 427]

YEAS—206

Aderholt	Carney	Franks (AZ)
Akin	Carter	Frelinghuysen
Alexander	Castle	Gallegly
Altmire	Chabot	Garrett (NJ)
Bachmann	Childers	Gerlach
Bachus	Coble	Giffords
Barrett (SC)	Cole (OK)	Gingrey
Bartlett (MD)	Conaway	Gohmert
Barton (TX)	Crenshaw	Goode
Biggert	Cubin	Goodlatte
Bilbray	Culberson	Granger
Bilirakis	Davis (KY)	Graves
Bishop (UT)	Davis, David	Hall (TX)
Blackburn	Deal (GA)	Hastings (WA)
Blunt	Dent	Hayes
Boehner	Diaz-Balart, L.	Heller
Bonner	Diaz-Balart, M.	Hensarling
Bono Mack	Donnelly	Herger
Boozman	Doolittle	Hobson
Boustany	Drake	Hoekstra
Brady (TX)	Dreier	Hunter
Broun (GA)	Duncan	Inglis (SC)
Brown (SC)	Ehlers	Issa
Brown-Waite, Ginny	Ellsworth	Johnson (IL)
Buchanan	Emerson	Johnson, Sam
Burgess	English (PA)	Jones (NC)
Burton (IN)	Everett	Jordan
Buyer	Fallin	Keller
Calvert	Feeney	King (IA)
Camp (MI)	Ferguson	King (NY)
Campbell (CA)	Flake	Kingston
Cannon	Forbes	Kirk
Cantor	Fortenberry	Kline (MN)
Capito	Fossella	Knollenberg
	Foxx	Kuhl (NY)

LaHood
Lamborn
Lampson
Latham
LaTourette
Latta
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Scalise
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Space
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield (KY)
Wilson (NM)
Wilson (SC)
Wittman (VA)
Young (AK)
Young (FL)

NAYS—220

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

NOT VOTING—8

Gilchrest
Hulshof
Loebsack
Meeks (NY)
Rush
Stark
Tiahrt
Wolf

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes left in the vote.

□ 1431

Messrs. CARNAHAN and BOUCHER changed their vote from ''yea'' to ''nay.''

Mrs. MUSGRAVE, Messrs. BOOZMAN, SHULER, and CHILDERS changed their vote from ''nay'' to ''yea.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mrs. MALONEY of New York. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 278, nays 146, not voting 10, as follows:

[Roll No. 428]

YEAS—278

Abercrombie
Ackerman
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bilbray
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Buyer
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Castor
Cazayoux
Chandler
Childers
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Drake
Edwards (MD)
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Forbes
Fortenberry
Foster
Frank (MA)
Gerlach
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Kirk
Klein (FL)
Kucinich
LaHood
Lampson
Langevin
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pearce
Perlmutter
Peterson (MN)
Peterson (PA)
Platts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Rogers (AL)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Space
Speier
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Wittman (VA)
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NAYS—146

Aderholt
Akin
Bachmann
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, David
Deal (GA)
Doolittle
Dreier
Duncan
Ehlers
Everett
Fallin
Feeney
Flake
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hastings (WA)
Heller
Hensarling
Herger
Hoekstra
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jordan
Kanjorski
Keller
King (IA)
King (NY)
Kingston
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
Latta
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pence
Petri
Pickering
Pitts
Poe
Price (GA)
Putnam
Radanovich
Renzi
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce

Ryan (WI)
Sali
Scalise
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Smith (NE)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield (KY)
Wilson (NM)
Wilson (SC)

NOT VOTING—10

Edwards (TX)
Gilchrest
Honda
Hulshof
Loebsack
Meeks (NY)
Rush
Stark
Tiahrt
Wolf

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in the vote.

□ 1439

Mr. PICKERING changed his vote from ''yea'' to ''nay.''

Mrs. DRAKE changed her vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. WOLF. Mr. Speaker, this afternoon I was on an official leave of absense to attend the commencement ceremony for Potomac Falls High School, a high school in my congressional district, at which I was the main commencement speaker. Had I been present and voting, I would have voted ''yea'' on H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008.

Mr. EDWARDS of Texas. Mr. Speaker, I missed rollcall 428 today. It was my intention to vote ''yea'' on that vote.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6041

Mr. MARCHANT. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 6041.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6041 AND H. RES. 356

Mr. CONAWAY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of both H.R. 6041 and H. Res. 356.

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

There was no objection.

RECESS

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

Accordingly (at 2 o'clock and 41 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1708

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. TIERNEY) at 5 o'clock and 8 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO HOUSE AMENDMENTS TO SENATE AMENDMENT TO H.R. 2642, SUPPLEMENTAL APPROPRIATIONS ACT, 2008

Ms. SLAUGHTER, from the Committee on Rules, submitted a privileged report (Rept. No. 110–720) on the resolution (H. Res. 1284) providing for consideration of the Senate amendments to the House amendments 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, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6304, FISA AMENDMENTS ACT OF 2008

Ms. SLAUGHTER, from the Committee on Rules, submitted a privileged report (Rept. No. 110–721) on the resolution (H. Res. 1285) providing for consideration of the bill (H.R. 6304) to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO HOUSE AMENDMENTS TO SENATE AMENDMENT TO H.R. 2642, SUPPLEMENTAL APPROPRIATIONS ACT, 2008

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1284 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1284

Resolved, That upon adoption of this resolution it shall be in order to take from the Speaker's table 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, with the Senate amendments to the House amendments to the Senate amendment thereto, and to consider in the House, without intervention of any point of order except those arising under clause 10 of rule XXI, a single motion offered by the chairman of the Committee on Appropriations or his designee that the House (1) concur in the Senate amendment to the House amendment numbered 1 and (2) concur in the Senate amendment to the House amendment numbered 2 with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendments and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question except that the Chair shall divide the question between the dispositions of the two Senate amendments.

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

SEC. 3. The chairman of the Committee on Appropriations may insert in the daily issue of the Congressional Record dated June 19, 2008, such material as he may deem explanatory of the motion.

SEC. 4. It shall be in order, any rule of the House to the contrary notwithstanding, to consider concurrent resolutions providing for the adjournment of the House and Senate during the month of July.

The SPEAKER pro tempore. The gentlewoman from New York is recognized for 1 hour.

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

I yield myself such time as I may consume and also ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on House Resolution 1284.

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

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, H. Res. 1284 provides for consideration of the Senate amendments to the House amendments to the Senate amendment to the bill H.R. 2642, Supplemental Appropriations Act of 2008. The rule makes in order a motion by the chairman of the Committee on Appropriations that the House, one, concur in the Senate amendment to the House amendment numbered 1, and two, concur in the Senate amendment to the House amendment numbered 2, with the amendment printed in the Rules Committee report.

The motion is debatable for 1 hour and controlled by the Committee on Appropriations, and the Chair shall divide the question between the dispositions of the two Senate amendments.

Mr. Speaker, the issue to be debated today could not be of greater consequence to the future of our Nation or the citizens of this body and all of this country. For that reason, the Rules Committee has reported out a rule that gives each Member the opportunity to vote his/her conscience on the most pressing issue of our day: funding for combat operations in Iraq and Afghanistan as well as critical domestic spending to bring relief to the American people and provide our veterans with access to higher education.

This legislation meets the spending requirements made by President Bush

with the exception of the $2.65 billion in disaster relief for the aftermath of the tornadoes and floods that hit the Midwest which was added at the President's request.

In addition, the bill includes the $5.8 billion that President Bush asked for to strengthen the levees in New Orleans and does not include a single earmark except those explicitly requested by his administration.

Mr. Speaker, in order to bring the legislation forward today, the Democrat majority had to make very difficult decisions. However, making difficult choices is appropriate when deciding issues of great importance such as the war in Iraq, a war that has placed unprecedented strain on this Nation.

□ 1715

At no time in our history has America fought a war of this magnitude, or one that is this difficult, with an entirely voluntary military force composed of only 1 percent of the general population. And no one in this country has been asked to sacrifice as our troops and their families have.

Our soldiers are well aware of what the current situation means for them, two, three, four, sometimes five deployments of duty, while their political leaders casually use words like ''political progress'' to justify their redeployment.

However, these extraordinary individuals know full well that they return again and again to a conflict that has taken the lives of over 4,000, almost 5,000 now, of their fellow soldiers and 28 from my district alone.

They know that tens of thousands of American men and women are returning home wounded and physically disabled, many suffering from post-traumatic stress disorder and a host of other mental health issues.

They know full well that they are redeployed to a civil war that has left millions of Iraqi men, women and children dead and millions more in refugee camps or fleeing to other countries that will accept them.

Our soldiers already know quite a lot, and by that I mean, they've come to learn that terms like ''political progress'' are little more than political posturing and empty rhetoric, and that is not how a Nation shows respect for its military.

Unfortunately, such disrespect is what our brave men and women in uniform are accustomed to. Our troops were repeatedly promised that they would have the equipment they needed to do their jobs. Yet we all saw the reports of desperate searches through junk heaps to refit ill-equipped armored vehicles. We all heard the stories of struggling families frantically emptying their savings accounts to purchase adequate body armor for their children going off to war.

Our troops were repeatedly promised that they would be taken care of when they came home from combat. Yet once again this administration's promises turned out to be nothing more than rhetoric. Remember the disgraceful images of Walter Reed Hospital, and that is not how a grateful Nation shows respect for its troops.

Mr. Speaker, it is with this in mind that we proceed today with this legislation. While some pieces of this bill required difficult decisions before it could be brought to the floor, others were easy to make.

The bill provides immediate resources to our troops currently in the field, and nothing is more important than their safety and security. And in addition, the bill keeps our promises to our veterans.

Part of the cost of waging war is ensuring that those who fight receive the resources that they need to resume their lives when they return home. Given all the sacrifices that our troops have made for this Nation, it is simply unconscionable to nickel and dime them when it comes time for us to keep up our end of the bargain.

The underlying legislation includes a dramatic expansion of the education benefits provided to our veterans. Not only do our troops deserve this benefit, the same one provided to veterans of World War II, but for every dollar we spend on education today, we will see a return that will bolster our economy tomorrow. And frankly, our economy needs bolstering.

Far too many hardworking Americans are feeling enormous pressure with skyrocketing gas and food prices, unaffordable health care costs, rising college tuition rates, home foreclosures that are far too commonplace, and a terrible job market.

Last month's atrocious unemployment numbers highlight the urgent need for assistance to millions of struggling families calling out for relief. In fact, the number of Americans looking for work has grown by 800,000 over the last year, and the number of American jobs has declined by 260,000 since the beginning of 2008.

This bill takes immediate action to extend unemployment insurance for workers who have exhausted their benefits by up to 13 weeks in every State.

Furthermore, the American people are feeling the pain as their hard-earned tax dollars finance the rebuilding of a foreign Nation while their country's own economy and infrastructure are falling apart at the seams. To that end, this legislation removes the unfair burden placed on the American taxpayer by requiring the Iraqi government to pull its own weight and match U.S. reconstruction money dollar-for-dollar.

In addition, it prohibits, once again—and we have to look out for those signing statements—but it prohibits once more the establishment of permanent bases in Iraq, blocking this administration from saddling the American people with a costly occupation long after their soldiers are home.

Mr. Speaker, the underlying legislation deals with some of the most important issues of the day, our fellow citizens who have been sent to fight in a conflict far away from home, as well as critical domestic spending that will give relief to the millions of Americans struggling just to survive.

The structure of the rule we consider today provides each Member the opportunity to cast his or her vote according to their values and their priorities. I am proud to support the rule, and I ask my colleagues to do the same.

I reserve the balance of my time.

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

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

Mr. DREIER. I want to begin for the second time today by expressing my great appreciation to my very good friend and colleague, the distinguished Chair of the Committee on Rules, for yielding me the customary 30 minutes.

Mr. Speaker, it was interestingly enough on February 5 of 2007, February 5 of 2007, which is exactly 500 days ago—500 days ago President Bush made a request of this Congress to provide supplemental funding for our troops to ensure that they have all the tools necessary to prosecute these struggles going on in both Iraq and Afghanistan, 500 days, a long period of time. But Mr. Speaker, I am pleased to say that I believe that we've finally gotten there.

As I listened carefully to the statement of my good friend from Rochester, the distinguished Chair of the Committee on Rules, I have to say that I completely concurred with the first third of her statement in which she went through a very accurate description of exactly what this supplemental appropriations bill consists of. I could not disagree with her more on the second third of her presentation, and on the last part, I have sort of a mixed view.

When it comes to the first third, I will say that, again, I completely concur. This measure is designed to ensure that we get to our men and women in uniform the tools that they need, the resources that they need to continue this struggle. It ensures that the request and the directive by Admiral Mullen, the Chairman of the Joint Chiefs of Staff, raising very serious concern about the prospect of not being able to have the resources necessary is addressed.

She also in her remarks talked about the need to deal with the economic challenges that we face, and I completely concur. When we saw the largest increase in the unemployment rate in 22 years, a half a percent increase in the unemployment rate, it's clear that we want to ensure that those Americans who are very much in need are going to be able to have their concerns addressed by providing with that 20-work week requirement, which we've gone back to and which we supported in the early part of this decade in 2001 and 2002, that that requirement will

continue to be in place. So I wholeheartedly support that effort for the 13-week extension.

And she also talked about the need to ensure that we provide the resources for the veterans. For those men and women who have been engaged in this struggle and have come home, it is absolutely crucial that we do everything that we can to provide those very important resources for those brave and courageous men and women who have served in our Armed Forces.

Now, Mr. Speaker, when it came as I said to the second third of Ms. SLAUGHTER's presentation, I could not disagree more vigorously. She referred to the term ''political progress'' as being one of posturing. Well, I've got to say if we look at the independent assessments that have been provided by even some of the most harsh critics, some of the harshest critics of this war, there has been acknowledgment that this surge has worked.

All one needs to do is this week look at lead articles in both the Washington Post, hardly an entity that has been sympathetic with this effort, and the Associated Press. Both of those entities have strongly come forward and pointed to the tremendous progress that has been made not only, not only militarily but the political progress which has been made as well.

And so I have to say, Mr. Speaker, I congratulate my colleagues who have worked in a bipartisan way. I see Mr. OBEY here. He just testified before the Committee on Rules and talked about his concerns, and he talked about the need to make sure that we move forward.

Our Republican leader, Mr. BOEHNER, has also worked very, very diligently on this, and I have to say it's interesting as we mark today the 500th day since the President made this request for supplemental funding for our troops, it's fascinating that this all came together within what is just about a maybe 28-, 29-, 30-hour period of time.

So I think that it's important for us to get this done. It's important for us to address these concerns which include the much-needed relief to those victims of the floods in the Midwest and the strengthening of the levees following Hurricane Katrina, and I believe that we have a wonderful indication of bipartisanship at its best here.

I am very pleased to finally take up a Rule for a Supplemental Appropriations bill that is based on bipartisan compromise that gets our troops the funding they need. And most important, it is a bill that the President can actually sign. I just wish we could have done this months ago.

Mr. Speaker, the request for supplemental funding for our troops came to us on February 5th of 2007—exactly 500 days ago. Since that time, we have heard hours of testimony from our military commanders, warning us in clear terms of the strains on our troops from the failure to fund them. For months, we have heard of impending layoffs of military contract employees. Of vital programs getting cut off or put on hold. The message was very clear: our armed forces in harm's way needed emergency funding in order to effectively continue their jobs.

But what did they get from the Democratic Leadership? Endless political posturing. Funding bills that were purely political documents, with no hope of being enacted. I find it very troubling that this partisan process could drag on for so long.

I find it very troubling that it took so long before there was an attempt at bipartisan negotiation to craft a good bill that provides for our troops and will be enacted into law.

After months of posturing, once the Democratic Majority finally reached across the aisle so that real progress could be made—how long did it take to reach a workable compromise? Mere hours. Once the dialogue began, Republicans and Democrats quickly came to a solution—a bill that funds our troops, while also addressing other priorities in a responsible way.

Today's underlying bill fully funds our armed forces. It will provide a new education benefit to veterans, without raising taxes. And it will extend unemployment insurance in these uncertain economic times, without eliminating key provisions to prevent fraud and abuse. This is a compromise that Republicans and Democrats can support, fulfilling our duty to the men and women who are in harm's way. This is a duty that we as a body must take far more seriously than the last few months have demonstrated.

When we are bogged down by the Democratic Majority's political gamesmanship, there are real-world consequences to these actions—or lack of action.

As we have heard from our military commanders over the past weeks and months exactly what these consequences are, one of the most troubling revelations came just last week. Adm. Mullen, chairman of the Joint Chiefs of Staff, testified that our commanders had run out of funds to pay for development projects in Iraq and Afghanistan. This is perhaps the most perverse outcome of the Democratic Leadership's failure to fund our troops.

Regardless of where you stand on the war, we all know and agree that the fight against extremism demands more than a purely military solution. Our armed forces are working to provide a security environment that allows for development to take place—and they are succeeding. But if we squander this opportunity, we will never succeed in the long term. We will fail to win hearts and minds, and we will fail to provide an alternative to terror and extremism.

The people of Iraq and Afghanistan need to see that our fight is not against them. They need to see that we support democratic institutions and the good governance that ensures peace, liberty and opportunity. Without our development efforts, our military efforts can have no hope for sustainable success. By stonewalling the troops' funding, the Democratic Leadership not only shortchanges our troops, they are blocking our efforts to assist in the development of the foundation for lasting peace.

This is an unconscionable policy. Especially at the very time that the seeds of reconciliation are starting to take root. For months we have known that the surge has succeeded in reducing violence. Even the war's harshest critics have begrudgingly conceded that violence has been significantly reduced. But they called it an empty victory, saying that the improved security situation has failed to bring about political progress.

But today, that is changing. Monday's lead AP story was ''Iraqi violence down, confidence in government up.''

Tuesday's Washington Post announced ''Calm in Iraq Spurs Debate; Decline in Violence, Focus on Politics May Signal Turning Point.'' These are stories not just of reduced violence. They tell of the political reconciliation and progress that is now being made possible by the increased security. Iraqis are gaining faith in the Maliki government. And minority Sunni parliamentarians are heartened that a Shiite government would go after Shiite terrorists with the same zeal they go after Sunni terrorists.

Of course, this progress is fragile. Tuesday's terrible attack in Baghdad reminded us that while violence is diminishing overall, the danger of large-scale attacks remains very real. Furthermore, the political progress is still in its infancy. The Post story goes on to say ''analysts question whether the limited political accommodation among Shiites, Sunnis and Kurds can be sustained if the U.S. withdraws its forces quickly.'' It points out that Iran would love to fill any void that we create, and that Iraqis fear today's calm is simply the calm before the storm. Clearly, our mission is not complete.

But demonstrable progress is being made. After years of terrible violence, setbacks and enormous challenges, many of us have become desensitized to any signs of progress and improvement. But they are there. The tragic part is that any delay in providing critical funding puts this fragile progress in jeopardy. Today's underlying bill is urgently needed. While I am deeply sorry it has taken this long, I am truly pleased to finally have a bipartisan bill that will deliver our troops the vital resources they need.

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

Ms. SLAUGHTER. Mr. Speaker, I'm happy to yield 3 minutes to the gentleman from Massachusetts, a member of the Rules Committee, Mr. MCGOVERN.

Mr. MCGOVERN. I thank the chairwoman for yielding to me.

Mr. Speaker, the rule allows for the supplemental to be considered in two parts. Part 1 is funding for the war and Iraq, and part 2 includes expanded benefits for GI education, expanded unemployment compensation, disaster relief, food aid, and other measures.

I want to begin also, Mr. Speaker, by thanking Chairman OBEY for his incredible leadership in trying to forge a decent and fair compromise. He has more patience than I.

Mr. Speaker, let me start with talking about amendment No. 2. I strongly support the measures contained in this amendment. It expands the GI benefits for the education of our veterans, including those serving in Iraq and Afghanistan, and extends them more equitably for all of our service branches, including the Guard and Reserves.

The amendment also extends unemployment benefits by up to 13 weeks in every State for workers who have exhausted their benefits.

It places a moratorium on six Medicaid regulations, the costs of which are fully offset.

It provides emergency funding to meet critical needs, especially in addressing the global food crisis and disaster and refugee assistance.

It includes many other measures, Mr. Speaker, that are worth supporting, that are important, that are vital, and so I urge all my colleagues to support amendment No. 2.

Let me now just say a few words about funding for the war in Iraq, Mr. Speaker.

Under amendment No. 1, funding for the Iraq war is provided without conditions, a blank check, with no requirements about how or when we might begin removing our military forces from Iraq or prohibiting the Bush administration from moving forward with a Status of Forces Agreement that could tie the hands of the next administration to design a new policy and a new future with Iraq.

Mr. Speaker, how can anyone in this Chamber give this President another blank check for the war in Iraq? This is the same President who rushed us into war under false pretenses. There were no weapons of mass destruction and no ties to al Qaeda. Everything he and his administration have told us has been wrong. Where is the accountability?

For me, this is one compromise too many. It represents one cave-in too many. It asks Congress to roll over and be blind to the consequences of the war for the next 9 months or so.

Five years after the invasion of Iraq, the Bush administration continues the occupation of Iraq with no end in sight. More than 4,500 American soldiers and tens of thousands of Iraqi civilians have been killed, and over 30,000 Americans wounded.

It is long past time for a change in course, and this bill does absolutely nothing to bring that about.

This is George Bush's war, and he should end it while he is still President.

I urge my colleagues in the strongest possible terms to oppose this amendment, amendment No. 1, and demand that this President and his administration begin the safe and orderly withdrawal of our troops from Iraq.

□ 1730

Mr. DREIER. Mr. Speaker, at this time, I'm very happy to yield 3 minutes to my thoughtful and diligent colleague from Irvine, California (Mr. CAMPBELL).

Mr. CAMPBELL of California. Thank you for that kind introduction, my colleague from California (Mr. DREIER).

Mr. Speaker, we learned this week that 8 months into this fiscal year we now have a deficit of $317 billion. If you project that out for the rest of the fiscal year, we are looking at having a deficit of $476 billion. That would be the largest deficit of any year in the history of the country, and today we are making it worse yet again.

I understand that much of the spending, as you've just heard in this bill, are priorities for Members of this House, for citizens—frankly, many of them for this Member, but not every one of the well over $3 trillion that we're spending now in the Federal Government can be a priority that we cannot do without. We are going to have to start, when we add more spending, take some spending out of something else, offset it with reduced spending.

What we're talking about here are priorities. And if we look at what's happening ahead of us, the appropriations bill that we now see for the coming year increases spending by another 7.7 percent, while revenues are essentially flat. And that's $72 billion that would add to this deficit next year. And that doesn't include the entitlement programs, which increase at a dramatic rate every single year and which were actuarially bankrupt.

Where are we headed, Mr. Speaker? Are we headed for a $600 billion, $700 billion deficit? Do we care? Are we going to do anything about it?

Now, there are some on the other side of the aisle who would say, well, we'll raise taxes, and that's how we'll cover it. Well, I'm not even sure you can raise taxes enough. Taking aside the arguments of what that would do to a now struggling economy, what that would do to many people out there struggling either in their business, with the cost of energy, or personally with the cost of energy, but you, frankly, can't raise taxes enough to cover the massive deficits that we're having this year and that look to be getting even greater next year.

So I would say, in conclusion, Mr. Speaker, to both the Democrat and Republican leadership, we need to stop spending without offsetting it by reducing spending somewhere else. And I hope that we'll start that now.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Thank you for yielding.

Thank you to the Rules Committee, and to you, Mr. OBEY, who has been more than a stalwart central figure in this whole effort. And as I'm going to say, there are hundreds of thousands of people who will say to you, thank you, because today the voices of over one million people who have not been heard enough on this floor are finally being listened to with a much-needed extension of unemployment benefits.

Some have written us the most persuasive letters about being unemployed, often for the first time, sending out hundreds of resumes, losing their health care, and having difficulty making ends meet. They have not marched on Washington. They have individually been in their communities looking for work. But if they did form a line, these million plus and those who've exhausted their benefits, by estimation, it would extend from this Capitol to Denver, Colorado.

I asked the State of Michigan to provide me information on individuals who have exhausted their benefits just yesterday, and we have the figures now. They come from the broadest range of occupations—sales, health care, production, management, financial operations. I would suggest that each Member do the same, because once you look at the data, you will have no doubt that we are doing the right thing today.

Today is a victory for more than one million of our citizens and an additional 2.5 million estimated to exhaust their benefits. This is a vital first step, and we will be ready to fight to sustain this program for people who continue to be unemployed through no fault of their own in a truly difficult job market.

Mr. DREIER. Mr. Speaker, at this time, I'm happy to yield 2 minutes to my friend from Monticello, Florida (Mr. BOYD).

Mr. BOYD of Florida. I thank my friend, the ranking member on Rules, for yielding.

It is with very mixed emotions that I come to the floor today to oppose the rule that we are debating at the moment.

As you heard the other speaker say, the underlying substantive legislation is legislation that really needs to be passed by this Congress and signed into law.

You've got a very unpopular war, but as the debate about the policy goes on in Washington, the men and women in the field wearing the uniform need to be provided the funds and the resources they need to carry out that policy until such time as it is changed. And I think many of us feel very strongly about that, so we have to do the war funding piece.

Secondly, you have a significant domestic policy piece, and part of it is the GI Webb Bill, the education benefits package. That needs to be updated, and it's an appropriate thing to do. We are doing it, though, probably in a, if not an unprecedented way, certainly a very unusual way in that we are creating a new mandatory spending program in an emergency supplemental bill. I know that's never been done since I've been here, but nevertheless, it is a piece that needs to be done. I wish it could be debated and funded separately.

We have the unemployment insurance benefits package. Obviously, in today's economy, with a 5.5 percent unemployment rate, is something that I think everybody on this floor supports, and most of us have already voted on it and supported it earlier in the previous week.

As has been stated before, you've got true emergencies in the Midwest with the floods, you've got the Katrina levee piece, which continues to be a problem. And all of these things are items that the government of the richest Nation

in the world ought to be doing, and we ought to be paying for it. But here is the reason I stand here to oppose this rule.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. DREIER. Mr. Speaker, I'm happy to yield my friend an additional 30 seconds.

Ms. SLAUGHTER. And, Mr. Speaker, let me add an additional minute to that.

Mr. BOYD of Florida. I thank Madam Chairman, my friend.

I would say that the richest Nation on the face of the Earth, we ought to be willing to find a way to pay for these things which are so important for the continuation of this great democracy that we have, the strongest economy in the world. But what we've chosen to do is to borrow the money, not pay the bill, and send the bill to the generations of the future. And I think that's morally wrong. It's a mistake. It's economically a mistake because our children and grandchildren will live in an economy that's much different than the one that our fathers and grandfathers and grandparents built for us.

So I feel very strongly about this. We're making a serious mistake by not paying for these things. I know we have another body on the other side of the Capitol here that doesn't understand this concept. We have a White House which doesn't understand the concept of pay-for, but this House has stood pretty strong on this issue until today.

This bill is $257 billion, over a quarter of $1 trillion. As my friend from California (Mr. CAMPBELL) said earlier, it adds to the already $319 billion existing deficit that we're running in this fiscal year.

I feel strongly about this. I think it's a mistake. And I think it's one that our children and grandchildren will pay for.

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

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Texas, a member of the Appropriations Committee, Mr. EDWARDS.

Mr. EDWARDS of Texas. Mr. Speaker, a young President, a veteran of the Greatest Generation, once reminded the world that Americans would pay any price, bear any burden in order to assure the survival and the success of liberty. His, the generation of John F. Kennedy, understood that all Americans had a moral obligation to support those who have paid the greatest price and borne the heaviest burdens of war—our troops, our veterans, and their families. That's why the original GI Bill was passed in 1944. Today, 64 years later, with the strong leadership of Speaker PELOSI and Chairman OBEY, Congress is renewing its moral commitment to those who have served our Nation in uniform.

Amendment No. 2 in this bill includes a 21st century bill of rights, a GI Bill of Rights that will open the doors of our colleges and universities to our troops, our veterans, and their families. We also commit $396 million to improve VA polytrauma centers, which are providing critical care to the most severely wounded troops.

With respect to health care needs of our troops and their families, we fund $863 million in amendment No. 2 to begin a desperately needed modernization of outdated military hospitals. No service man or woman, not one, Mr. Speaker, should ever have to face the degrading conditions our soldiers saw last year at Walter Reed Annex 18.

Amendment No. 2 also respects the unsung heroes in our Nation's defense, our military spouses and children, by providing funding for 20 new military child care centers with a focus on those bases bearing the burden of multiple tours of duty in Iraq and Afghanistan. For our youngest heroes, the 18, 19, and 20-year-olds who have just signed up to serve our country, we provide $75 million, again, improving woefully inadequate training barracks. Those who choose to serve deserve decent housing.

Supporting our troops, our veterans, and their families is what we Americans do, it is who we are. Since our Nation's founding, shared sacrifice during time of war has been a quintessential American value, a promise to keep. I thank Speaker PELOSI and Chairman OBEY for seeing that we keep that promise. It is the right thing to do.

I urge my colleagues to support this rule and to vote ''yes'' on amendment No. 2.

Mr. DREIER. Mr. Speaker, at this time, I am happy to yield 4 minutes to our very thoughtful and hardworking colleague from Columbus, Indiana, an area that has been victimized by the floods and will be assisted in this package that is coming forward, Mr. PENCE.

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

Mr. PENCE. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and in support of most of this bill, and certainly appreciate the spirit with which it has come together.

I certainly strongly support the military funding portion of the Iraq/Afghanistan supplemental appropriations bill. It will speed roughly $165 billion in emergency funds to our men and women serving in Iraq and Afghanistan, and it will do so without imposing artificial timelines and timetables for withdrawal.

Far away from Washington D.C., our brave troops are focused on doing the job we've asked them to do, continuing our progress in Iraq and Afghanistan.

Earlier this week, the headline of the Indianapolis Star, the leading newspaper in my home State, simply read, ''Iraq May Have Reached Turning Point.'' In a national Associated Press story the following words were written, ''Signs are emerging that Iraq has reached a turning point. Violence is down, armed extremists are in disarray, government confidence is rising, and sectarian communities are gearing up for a battle at the polls rather than slaughter in the streets.''

Mr. Speaker, the American people deserve to know that these headlines would not be possible if most Democrats in Congress had had their way, if they had passed any of the measures over the last year and a half that are brought to this floor again and again which would have cut off funding to our troops and facilitated a retreat and defeat from Iraq. And these headlines would not be possible if Republicans in Congress had not stood with our soldiers in the field, stood with our Commander in Chief, supported the new strategy and the new tactics that have brought about what the Associated Press describes as ''a turning point in Iraq.''

And so I strongly support the military supplemental funding in this bill. And I commend the leadership, most especially my colleagues who have stood with our soldiers and our Commander in Chief, for bringing this clean bill to the floor.

Also, Mr. Speaker, I was heartened, as the gentleman from California just alluded, the ranking member, that after weeks of some of the most devastating weather in Indiana history, that this legislation will include $2.65 billion in disaster relief funding to ensure that critical resources are available to respond to the tornados and flooding across the Midwest.

□ 1745

I've spent a great deal of my time with Hoosiers that are hurting. And my heart goes out to families across the Midwest and to those government agencies that are responding with such effectiveness. But I must say that in this emergency military spending bill, when we fund these emergencies, be they at home or abroad, we still need to do so in a fiscally responsible manner.

I've said before and will say again that we must ensure that a catastrophe of nature does not become a catastrophe of debt for our children and grandchildren. I support this funding for true emergencies. But I still believe, as others have said before, that it should be offset by reductions in other government spending.

And let me say emphatically, military emergency funding bills ought to be about military funding and emergencies. Our war funding is emergency military spending. The GI Bill improvements in this bill are meritorious and military. Flooding in the Midwest is an emergency. But I say with respect, what does $178 million for the Bureau of Prisons have to do with military or emergencies? What is $210 million for the Census or $400 million for scientific research doing in an emergency military funding bill?

I support this expansion of the GI Bill. I support funding FEMA during a

time of crisis. And I certainly support our troops.

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

Mr. DREIER. I'm happy to yield my friend 1 additional minute.

Mr. PENCE. I believe, as we go forward with the spending bill, the American people deserve to know where credit is deserved, to those who have stood in this body for a clean war funding bill, stood by our troops, stood by the surge, and they also deserve to know that despite all the promises to the contrary about putting our fiscal house in order that here we are again with a massive amount of increased domestic spending, with nary a thought of how we're going to pay for it, passing the burden along to future generations of Americans.

So I will not let the perfect be the enemy of the good. I will support this bill, because on balance I believe it funds urgent national needs in various respects. But I rise, as others have before, to say that emergency funding bills for the military ought to be about military funding and emergencies. And supporting those aspects of this bill will bring me to the floor and to an ''aye'' vote today.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. BRALEY).

(Mr. BRALEY of Iowa asked and was given permission to revise and extend his remarks.)

Mr. BRALEY of Iowa. Mr. Speaker, I thank the chairwoman for yielding.

Mr. Speaker, I rise today in support of this rule because of the flood relief provisions included in the supplemental funding bill. I'm pleased that this amendment includes $2.65 billion for flood relief in my State and others. And I urge my colleagues to vote in favor of this rule because of this important funding.

Iowa is currently experiencing record flooding which is having a widespread and unprecedented impact on people, property and agriculture in the State. Governor Culver has issued an emergency proclamation for 83 of Iowa's 99 counties, all experiencing significant damage due to the combination of severe rainfall, tornadoes, high winds and flooding. Fifty-five Iowa counties have been declared Presidential disaster areas. Seventeen citizens have lost their lives, and many more have been injured. Over 38,000 Iowans have been displaced from their homes already, and thousands more have been disrupted because of the closure, through evacuation, of Iowa hospitals, nursing homes, businesses and schools. More than 18 shelters have been in operation in more than a dozen counties. And it is estimated that 20 percent of the State's cropland has been destroyed. And the flooding still continues.

This flooding has impacted everyone in Iowa. And the scope of damages to Iowans' homes, lives and livelihoods is almost beyond description. Some are calling this disaster ''the Katrina of the Midwest.'' If you were to travel around Iowa, you would understand what they are talking about.

This unprecedented destruction needs and deserves a swift and special response from Congress. That's why this $2.65 billion flood relief package is so important. Iowans and people across the Midwest impacted by this flooding need immediate help to restart their businesses, salvage their farms and rebuild their lives after this devastating flood.

When things get tough in Iowa, Iowans come together to help one another. I would look to thank the Appropriations Committee and the House leadership for coming together and working with me and my colleagues from Iowa to provide this urgently needed flood relief funding. This disaster relief funding is a crucial first step on the road to Iowa's full recovery. And I urge all of my colleagues to support it by voting for this rule.

Mr. DREIER. I'm happy to yield 2 minutes to my very good friend from Brooksville, Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman.

Mr. Speaker, I rise today in support of the emergency supplemental appropriations rule and bill that is currently before the House.

I would like to thank my colleague, Mr. MITCHELL from Arizona, for his very hard work on the veteran and the veterans service organizations like the Veterans of Foreign Wars and the Iraq and Afghanistan Veterans of America for their tireless effort in support of the Post-9/11 Veterans Educational Assistance Act. I am the lead Republican on that portion of the bill. And it will boost educational assistance to our veterans.

The current veterans' education assistance program covers only a portion of the ever-rising costs associated with a college degree. The education benefits for our veterans have not kept pace with today's rising college costs. Congress must act to correct this. And that is exactly what this portion of the bill does.

I also support the bill because it recognizes the tremendous contributions and sacrifices made by members of the National Guard and Reserves. The United States has relied heavily on the efforts of the National Guard in Iraq and Afghanistan. Since September 11, 2001, over 250,000 National Guard personnel have served in Operation Enduring Freedom and Operation Iraqi Freedom.

Currently, members of the National Guard may only receive educational benefits for the longest amount of time that they're activated. The Post-9/11 Veterans Educational Assistance Act included in the supplemental recognizes these deserving men and women by allowing for the accumulation of educational benefits.

Mr. Speaker, I urge my colleagues to support the rule and the emergency supplemental bill containing the veterans' education benefit to provide for a brighter future for all those who have served our country honorably, and also because it does contain the funding necessary for our troops currently fighting the war to protect our freedom.

Ms. SLAUGHTER. Mr. Speaker, I'm pleased to yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. I thank the gentlelady from New York. I rise today to thank Chairman OBEY and thank the leadership, Speaker PELOSI, for addressing the question that confronts us in the most strategic way possible. But it is important to note that many of us have opposed consistently a war that continues to go on unbridled and misdirected.

We thank our soldiers. But it's important to note that now some $600 billion has gone to Iraq. We've lost 4,100 soldiers. Instead of having a military surge, we should have a diplomatic surge. We now give $165 million unrestricted to this White House. But I do rise in support of amendment 2 that provides for the GI Bill that acts as a good Samaritan to those who have been unemployed for 13 extra weeks of unemployment, that provides for elimination of six Medicaid provisions that will help restore partially the health care that Americans need. But I believe we should have had provisions in this particular appropriation that would indicate that the dollars should be used to redeploy our troops, thank them and grant them the success that they have had because they are successful.

But we need to bring our troops home. And we need to indicate that the authority for military force has expired. The GI Bill is a ''thank you'' to our soldiers. Let's bring them home safely. And let's provide the investment that it needs. I am grateful that we had the disaster relief for all of those suffering in the Midwest, but that we've not forgotten the Katrina victims and survivors that now are still homeless. It is important, as we move forward, to begin to look at domestic funding.

This is a first start. But we need to have legislation that acknowledges the honor of those who have fallen, declare a military success and allow Iraq to invest. And I am grateful for the two amendments that require Iraq to invest in its own domestic development. This is the time to redeploy our troops.

Mr. Speaker, I rise today in strong opposition to Amendment #1, and in strong support of Amendment #2 of 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. While I am supportive of the portions that contain provisions beneficial to the American people designed to improve our economy and protect

our young men and women, I remain adamantly opposed to this legislation because it continues a disastrous policy of providing unrestricted funding to continue the Bush Administration's war in Iraq.

AMENDMENT #1—IRAQ WAR FUNDING

Mr. Speaker, I oppose Amendment #1 because I stand with the American taxpayers, who have paid over $600 billion to finance the misadventure in Iraq. I stand with the 4100 fallen heroes who stand even taller in death because they gave the last full measure of devotion to their country. In May, I was proud to vote against amendment #1 to the previous version of the supplemental spending bill that would have provided funds for our troops in Iraq and Afghanistan, which included a timetable for the redeployment of U.S. troops. I was extremely pleased that the House did not pass this legislation.

Mr. Speaker, I must oppose this legislation as it provides a total of $165.4 billion for the Department of Defense for FY 2008 and FY 2009, funds that are handed over without any strings. This legislation does not withhold funding for the Iraq war, a war that so many of my colleagues in Congress oppose, and which only 32 percent of Americans now support. The bill we are considering today does not require that war funds can only be used for the responsible redeployment of American troop's home from Iraq. Instead, it hands the President nearly $163 billion of virtually unrestricted funding, allowing him to continue a war that the American people do not support.

Mr. Speaker, I voted against the 2002 Iraq War Resolution. I am proud of that vote. I have consistently voted against the Administration's practice of submitting a request for war funding through an emergency supplemental rather than the regular appropriations process which would subject the funding request to more rigorous scrutiny and require it to be balanced against other pressing national priorities. I cannot support legislation that provides the President with the resources to prolong his ill-advised war effort unrestrained. As a Member of both the Out of Iraq and the Progressive Caucuses, I am proud to vote for legislation that, like other measures passed by this Congress, begins the process of withdrawing U.S. men and women from Iraq.

The congressional authorization providing for the use of military force in Iraq has expired. The 2002 Resolution authorized the President to:

(1) Defend the national security of the United States against the continuing threat posed by Iraq; and

(2) enforce all relevant United Nations Security Council Resolutions regarding Iraq.

Specifically, the resolution called for the disarming of any weapons of mass destruction in Iraq, removal of the rogue Iraqi regime, the capture of any al-Qaeda operatives in Iraq, as well as the promotion of democracy in Iraq. All of these objectives have been met.

Mr. Speaker, our troops have achieved extraordinary military success in Iraq, toppling the regime of Saddam Hussein in only 21 days, assuring the world that Iraq does not possess weapons of mass destruction, assisting the Iraqis in holding free elections, and setting the nation on a path toward democracy. However, while our troops have achieved the objectives for which they were sent to Iraq, they are now caught in the midst of a sectarian conflict. Unfortunately, there is no military solution to Iraq's ongoing political and sectarian conflicts. This is a war without end. Though President Bush continues to rely on a strategy that seeks to stabilize and reconcile Iraq by force, only the Iraqi government can secure a lasting peace. Thus far, the Iraqi government has demonstrated an inability or an unwillingness to deliver on the political benchmarks that they themselves agreed were essential to achieving national reconciliation, which was the rationale and stated objective of the surge.

AMENDMENT #2—IRAQ POLICY PROVISIONS

Mr. Speaker, I am pleased that Amendment #2 contains two important Iraq policy provisions. This amendment requires that funds spent by the State Department and USAID for Iraqi reconstruction be matched, dollar-for-dollar, by the Iraqi government. In addition, this legislation prohibits military construction funds from being used to establish permanent bases in Iraq.

Like many of my colleagues, I am also concerned that the United States has paid and continues to pay a disproportionate amount for Iraq reconstruction, especially when the Iraqi government reportedly has a $25–30 billion budget surplus this year. I am pleased that this legislation calls on the Iraqi government to share equally in the cost of rebuilding the country. To date the United States has appropriated more than $45 billion for Iraq reconstruction. American-funded reconstruction programs have included the training and equipping of Iraqi security forces.

Iraq is a resource-rich nation. Though still facing problems including a lack of technology, damage from previous mismanagement, the effects of looting, and water intrusion, Iraqi oil production is currently at around 2 million barrels per day. The price of oil has skyrocketed to over $100 a barrel and Iraqi oil exports are generating an estimated $56.4 billion this year alone, according to the GAO, yet it is U.S. taxpayers who continue to foot the bill for Iraqi reconstruction. The government of Iraq is stashing its money in global banks, including a reported $30 billion in the United States, instead of investing this money in the development of crucial Iraqi infrastructure.

I am also extremely concerned about the direction of U.S. policy in Iraq, and the future of U.S. commitments. I am also very worried about the Administration's apparent desire to circumvent congressional approval and oversight in the process of negotiating a long-term agreement with the Iraqi government, as well as the still-open question of the establishment of permanent U.S. bases in Iraq, to which I am strongly opposed. Today's legislation, crucially, continues a prohibition on permanent American military bases in Iraq.

EXPANDED GI BILL

Mr. Speaker, Amendment #2 of this legislation provides funding for much needed domestic programs and foreign aid. By extending unemployment benefits, expanding veterans' education benefits, and placing a moratorium on the Bush Administrations' six Medicaid regulations, this legislation gets us closer to where the Economic Stimulus package should have taken us. I am particularly pleased that this legislation expands the educations benefits that veterans receive under the GI, providing $50 billion over the next 10 years for veterans' college funding. This legislation restores the promise of a full, four-year college education, and will entitle veterans who enlisted after the Sept. 11 attacks and served three years or more to what amounts to four years of college education at a state university. By passing these provisions, we are making the veterans of the wars in Iraq and Afghanistan an integral part of an American economy recovery, much in the same way World War II veterans were incorporated under the original GI bill. I would like to see us go even farther to make an affordable college education a possibility for all those brave men and women who selflessly served our nation in Iraq and Afghanistan. Today's legislation does allow service members to transfer educational benefits to their spouses and dependents.

EXTENSION OF UNEMPLOYMENT

In addition, Mr. Speaker, this legislation includes a 13-week extension of jobless benefits for long-term unemployed. The number of Americans looking for work has grown by 800,000 over the last year, and the number of American jobs has declined by 260,000 since the beginning of 2008. The extension of unemployment benefits will provide a crucial safety net to American workers who are feeling the strain of the sagging economy.

EMERGENCY FUNDING FOR THE MIDWEST

This legislation also includes $2.65 billion in much-needed aid for the storm-ravaged American Midwest. Violent storms, bringing tornados and flooding, have been blamed for at least 24 deaths since late May. With damage still not fully assessed, what has been called the worst flooding in the Midwest in 15 years has ruined an estimated 5 million acres of farmland. According to the Army Corps of Engineers, 23 levees along the Mississippi have failed this week alone, and 48 more, which protect over 285,000 acres of cropland, are either overflowing or at high flood risk. Today's legislation provides critical resources to respond to these disasters, which are affecting millions of Americans.

MEDICAID

In addition, this legislation also delays most of the destructive Medicaid cuts proposed by this President. The Bush Administration sought to cut services and payments to American families by adding seven different Medicaid regulations to the stimulus. This legislation places a much needed moratorium on six of these regulations, giving back to our seniors, families, and those with disabilities as well as cut payments to safety net providers.

Because I believe that fixing our health care system is one of the most important issues we currently face, I recently introduced the ''Medicare Efficiency and Development of Improvement of Care and Services Act of 2008'' (MEDICS Act), which provides a solution to the Medicare reimbursement problem as well as grows beneficiary access.

My bill increases the number of primary care physicians. It specifically requires that within one year of enactment, the Secretary of Health and Human Services, in coordination with the Association of American Medical Colleges shall submit to Congress an effective plan to increase the number of primary care physicians particularly those practicing in counties, cities, or towns ''underserved'' or with a disproportionate number of Medicare-eligible and/or Medicare recipients. In addition, my legislation forces an examination of the disparities in our health system, particularly those based on race, ethnicity, and gender,

and begins the process of eliminating these discrepancies, and making health care an affordable reality for all Americans.

FOOD AID AND DISASTER ASSISTANCE

I am also pleased that this legislation provides increased funding for international affairs. This includes $1.865 billion for food aid and disaster assistance, which is $745 million above the President's request. This sum includes $500 million above the President's request for PL480 Food Assistance and $245 million above his request for development assistance and disaster assistance programs meant to alleviate world hunger.

This additional funding comes at a crucial time. As my colleagues are aware, we are facing an international food crisis. According to the International Monetary Fund, IMF, global food prices have increased an average of 43 percent. In fact since March 2007, wheat has increased by 146 percent, soybean has increased by 71 percent, corn by 41 percent, and rice prices have increased by 29 percent, according to the U.S. Department of Agriculture.

Sadly, approximately 1 billion people—or one-sixth of the world's population—subsist on less than $1 per day. Of this population, 162 million survive on less than $0.50 per day. Overall, increased food prices particularly affect developing countries, and the poorest people within those countries, where populations spend a larger proportional share of income on basic food commodities. It is simply unacceptable in this day and age that so many children are going hungry. We have millions of dollars to bailout Bear Stearns, let's find that same money to help our families and our children.

REFUGEE ASSISTANCE

I am also extremely supportive of the provisions in this legislation that increase funding for refugee assistance. This legislation provides $696 million, a total $475 million above the President's request, to address the ongoing refugee crises in Iraq and elsewhere. This funding comes in the midst of a worldwide surge in the number of refugees, with Iraq and Darfur facing particularly severe crises. Having recently spent time on the ground with refugees living in camps in Darfur and Chad, I am pleased that the figures in this legislation represent the reality of the global refugee situation, and will make important strides toward meeting the needs of the growing number of people displaced by conflict, poverty, disaster, or other extreme circumstances, particularly those in Darfur and in Iraq.

Mr. Speaker, I am proud to support amendment #2 to this legislation because it contains vital provisions that will directly benefit the American people. I must oppose amendment #1 because I refuse to support the continuation of a disastrous policy of providing unrestricted funding to continue the Bush administration's war in Iraq. It is pure fantasy to imagine that President Bush's military surge has created the necessary safety and security to meet economic, legislative, and security benchmarks. It is time for a new strategy, a new plan that will encourage Iraqis to take charge of their own destiny, seek constructive and sustained regional engagement, and substitute the ill-advised military surge for a thoughtful diplomatic one. It is time to be realistic and pragmatic, to recognize that our troops achieved what they were initially sent in for and that continued U.S. military engagement is not bringing about the desired results.

Mr. DREIER. At this time, I am very happy to yield to one of our top experts on Veterans Affairs, the distinguished ranking member of the Appropriations subcommittee that deals with this issue, my friend from Chattanooga (Mr. WAMP).

Mr. WAMP. I thank the gentleman.

I just want to say as I begin that the gentlelady from Texas said that this money goes to the White House. Thankfully, this money goes to the men and women in the uniform of our Armed Forces who volunteered to stand between a threat and our civilian population.

And I want to commend everyone in the House for bringing us to this moment, because the traditions of this great country and this Congress are to meet at the water's edge at a time of war. And we have learned the lessons of history. And we know that it's important to fund the men and women who are in harm's way with the resources they need.

The particular piece that the gentleman from Texas (Mr. EDWARDS) and I have worked together on are the issues of quality of life. And let me tell you that this supplemental appropriations bill meets those quality of life needs on military housing, the child development centers for the families that are so critical, the medical treatment at places like Walter Reed that we have read and heard so much about and polytrauma rehabilitation centers.

We know that asymmetrical warfare has caused critical problems that must be addressed. People ask me and Mr. EDWARDS often, are we doing what's right for our men and women in uniform? This bill helps us to do that in a significant way and meet the needs of our veteran population. It meets the needs of barracks that we know and have heard about. And it fully funds what we need to on the Base Realignment and Closure Commission so they can meet their schedule which we were not meeting. This is so important.

And then this issue of GI benefits for education. Of course the men and women in Iraq and Afghanistan deserve this benefit. For weeks we've all been writing about how this is so appropriate. And today we come together. So I applaud everyone, most of all those volunteers in our military, who have agreed to answer our country's call and stand in harm's way. My nephew, who just got back from Iraq, and my other nephew who is a marine on his way to Afghanistan, and all of the other brave Americans, we're answering their call today. They answered our call.

We meet together to do what is right for our country thanks to the leadership in the majority and the minority for finally coming together and doing what is right. This is a good bill. Let's move it forward. And let's honor our commitment to our men and women in uniform.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I regret that I'm going to have to oppose this bill. And let's look at the numbers: $161.8 billion for the war it keeps going, a war that we all know now was based on untruths. It keeps going a war that has cost the lives of over 4,000 of our brave men and women, tens of thousands of injuries to our troops and over 1 million innocent Iraqis killed as a result of the war. The costs of the war will run to $3 trillion. And here instead of keeping a commitment that we made back in 2006 to end the war, we're continuing it into the term of the next President, and $161.8 billion of this bill will go for the war.

That's actually, of the total bill, 86 percent is going to go for the war, $24.7 billion in domestic spending. How much of this is going for unemployment? Well, $12.5 billion or about half of it over a period of 2 years. How much is going to the veterans? Less than $1 billion over 2 years. So we're using the veterans here and unemployed persons to put forth a war bill that is going to cost $161.8 billion.

We have to establish what our priorities should be in this country. Yes. Getting people back to work should be a priority. Imagine if we put $100 billion into that. Yes. Giving veterans better benefits ought to be a priority. Imagine if we put $100 billion into that. But no. We're putting $161 billion into a war that we know is based on untruths.

It's time that Congress take back its real authority here. And its real authority under article 1, section 8 is to declare war. This administration led us into a war based on lies. It is time for us to regain our ability to create an effective checks and balances, to reclaim our position as a coequal branch of government. You do not do that by continuing to fund this war. You do it by funding education, health care and job creation. That's what the people in Cleveland, Ohio, want. That is what people want all over this country. I'm voting against this.

□ 1800

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

Mr. DREIER. Mr. Speaker, at this time I am happy to yield 3 minutes to a hardworking member of the Committee on Appropriations, my friend from Ames, Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Speaker, I thank the gentleman from California for the time, and I rise today in strong support of both the rule and the bill itself, this emergency supplemental.

I want to take this time to speak briefly about the devastating flood situation in our Midwestern States, and particularly in my home State of Iowa.

I also want to thank Chairman OBEY very much and Mr. LEWIS from California for their efforts in producing the $2.65 billion of disaster relief in this package that is part of the supplemental agreement. I think the six funding components of the package will be of significant help to the residents of Iowa and other Midwestern States as they continue to cope with this disaster. I hope that we can continue to work together through the process to provide this needed assistance.

This past Monday, after several days of touring affected areas in and near my district in Iowa, I talked with the committee about the devastation in Iowa and what I thought we would need initially to help us get through this.

It is difficult to fully grasp the magnitude of the devastation and loss unless you see it firsthand. City blocks, town squares, neighborhoods, businesses and homes are underwater. The damage and the extent of the flooding will exceed that of 1993. Illustrating the magnitude of these floods is the fact that Iowa Governor Chet Culver has issued an emergency proclamation for 83 of Iowa's 99 counties, all of which have experienced significant damage. Forty-two of the 83 designated counties have thus far been declared presidential disaster areas, and the flooding has not yet stopped.

This great flood of 2008 has displaced nearly 40,000 Iowans from their homes, and countless others have been displaced from hospitals and nursing homes. The damage in Iowa and to her people is staggering and will not be fully known for some time yet. In the agricultural sector, there are projections of losses in the range of $2 billion to $2.7 billion by themselves. When combined with the damage and losses of homes, businesses, hospitals, community facilities, roads, bridges and levees, the impact obviously will be staggering. Every sector of Iowa's economy has been touched, and the range of damage is endless.

I look forward to continuing to work with the members of the Appropriations Committee and others in the House in a bipartisan effort. We must pledge to continue to produce needed resources in a timely manner to help facilitate a quick recovery for Iowa and other Midwestern States.

I thank the committee and its leadership again, Chairman OBEY and Ranking Member LEWIS, for their help.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. DREIER. I am happy to yield my friend an additional 30 seconds.

Mr. LATHAM. The committee and its leadership and this institution have a long history of working together to find consensus solutions for the tragedies that befall Americans. The people of Iowa and the Midwest are watching us and waiting for a helping hand to recover from this horrific tragedy. I sincerely appreciate the great help that the House of Representatives is giving the State and throughout the Midwest, and look forward to working on an ongoing basis to make this happen.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, first let me thank Chairman OBEY, Speaker PELOSI and Chairwoman SLAUGHTER for their countless hours and their leadership on this very difficult task.

I am opposed to giving this President over $160 billion with no strings attached to continue the disastrous war and occupation in Iraq. This is the biggest blank check ever. Ever.

The war and occupation in Iraq has put our country and economy in a hole, and when you are in a hole, you have got to stop digging in deeper and climb your way out. You don't dig yourself deeper in. Today that means funding the safe and responsible redeployment of our American troops and contractors out of Iraq.

The Lee amendment that I offered would have accomplished that. There is no way, no way, I will vote to continue funding any combat operations in Iraq. This funding needs to end. What the Lee amendment proposed was not to cut off funding for our troops, but to provide for their safe and responsible redeployment out of Iraq.

Although the supplemental retains one restriction that I have long championed, the prohibition against the establishment of permanent military bases in Iraq, it does not include the other indispensable condition, prohibiting the President from unilaterally binding the United States to an agreement with the government of Iraq that includes security assistance for mutual defenses without coming to Congress.

While I supported the amendment providing modest funding for urgent domestic priorities and for our GI educational benefits, I hope to see more of our economic needs addressed in a more fully and more comprehensive economic stimulus funding package.

The sad fact is that over the last 5 years, this administration has spent nearly half a trillion dollars on the Iraq war and occupation, and we have now a destabilized Iraq. We have tarnished our national image, and we have diverted national attention and resources from the real urgent challenges facing the American people.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Ms. SLAUGHTER. Mr. Speaker, I yield 30 additional seconds to the gentlewoman.

Ms. LEE. Let me just remind you that nearly 5,000 American troops and countless Iraqi civilians have died, more than 30,000 Americans are wounded, and more than 4 million Iraqis are displaced.

As the proud daughter of a career military officer, my dad died last September, and, let me tell you, he wanted us out of Iraq, I salute and I honor our troops. I believe the best way to support and honor our troops is by bringing them home, and we should provide funds to bring them home, to provide for their economic security, their health and their mental health needs when they come home.

Mr. DREIER. Mr. Speaker, at this juncture I would like to reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, I would like to talk to you for a second about Specialist Sean Walsh. Sean served for two tours of duty in Iraq in the 933rd Military Police Company in the 16th Airborne Brigade of the United States Army. He protected main supply routes. He and his unit were inundated with sniper fire and IEDs.

Today, Sean Walsh is a plumber in the City of Chicago. He wants to go to college. Sean cannot afford to go to college. His dream is to become an engineer.

This GI Bill, this GI Bill is for Sean Walsh and his unit, so Sean Walsh can do for Sean Walsh what Sean Walsh did for Iraq. He gave them a chance. He gave them a chance to build a better country. That is what we said when we sent Sean there. And now it is time America invests in Sean Walsh. We have spent $50 billion of U.S. taxpayer money rebuilding roads and bridges and streets and schools in Iraq, and this is about $50 billion to rebuild Sean Walsh and his unit.

The American people are the most generous people in the world, but they will not continue to be generous if you foreclose their future. I think this is what we owe Sean Walsh, because we asked him to do something, not once, but twice.

Sean wants to be an engineer, and I am for Sean being an engineer. I want to make sure Sean can get to college, and this is going to invest in his future. He earned it the old-fashioned way; he gave something for his country. And when America was asked to help rebuild Iraq, we did it. It is time we do that for Sean.

In addition, one of the things I am most proud about in this legislation is that from now on, in all the rebuilding of Iraq, the Iraqis must put in 50 percent of the dollars.

The SPEAKER pro tempore. The gentleman's time has expired.

Ms. SLAUGHTER. I yield the gentleman an additional 30 seconds.

Mr. EMANUEL. In addition, this legislation requires that for all future rebuilding of Iraq, the Iraqis must put in 50 percent of the dollars. For too long we have asked the American people to foot the bill for Iraq's future. Finally we have turned the page and require the Iraqis to stand up for Iraq. This is the first step in that process.

So for Sean Walsh and for the future of this country, at the height of the GI Bill we were once spending 2 percent of our GDP on our GI Bill, this is the first real investment in America for our kids.

Mr. DREIER. Mr. Speaker, I yield myself 30 seconds, and I do so to simply congratulate my friend on his very thoughtful statement. The fact that we have been able to come together in a bipartisan way to ensure that the Sean Walshes and the other men and women in uniform who have sacrificed for this country are going to have what they are due is, I believe, a great testament to what we are doing in this House.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and my colleague, the chairperson of the Rules Committee, for yielding.

Mr. Speaker, I stand before you today with a very heavy heart. Today this Congress will vote to spend $165 billion more on war. War is bloody. War is messy. It tends not just to hide the truth, but to sacrifice the truth. It destroys the hopes, the dreams and the aspirations of a people.

When the citizens of this Nation are begging for aid, struggling to make ends meet, it doesn't make sense to spend our precious resources on an unnecessary war. Sometime, somehow, some way, somebody must say enough is enough.

The rest of you may do what you may, but, as for me and my house, I will not vote for another dollar, another dime, another nickel, another penny, for this war. I will vote ''no'' on funding for war.

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

Mr. Speaker, it was February 5, 2007, February 5, 2007, exactly 500 days ago, that President Bush made a request for supplemental funding for our men and women in uniform to ensure that they have the resources necessary to successfully prosecute this war. That is what we are here doing this evening now.

We are here because we have actually seen, based on reports that have come from some of the harshest critics of this war, that we are making progress. All one needs to do is look at the Washington Post the day before yesterday, the Associated Press story that has been referred to by a number of my colleagues. Time and time again we hear of the success that is being made in our effort to ensure that we are able to continue to enjoy our freedoms and that we have a world that has a greater degree of stability. Only the United States of America, only the United States of America, is in a position to do this.

□ 1815

Sacrifice has been made. Time and time again our colleagues have talked about the number of lives that have been lost.

As I listened to my friend from Chicago (Mr. EMANUEL), he was referring to one of his constituents, I was immediately reminded of one of my constituents whom I refer to on a pretty regular basis here.

It was in the battle of Fallujah in November of 2004 that J.P. Blecksmith tragically was killed. His father, who was a former Marine from San Marino, California, has, on repeated occasions, to me said if we don't complete our mission, my son, J.P., will have died in vain.

War is an ugly thing, but it's not the ugliest of things. The decayed and degraded state of moral and patriotic feeling which thinks nothing worth a war is worse. Those were the words of a very, very famous writer who wrote them following the Civil War. We are in the midst of a painful struggle.

But on this issue, I am very happy that we have been able to come together in a bipartisan way to deal with this. I congratulate my colleagues, Messrs. OBEY and LEWIS, for working together on this, and Mr. BOEHNER, who has provided great leadership in this effort.

We need to ensure that our men and women in uniform not only have everything that they need to successfully prosecute this war, but we also need to make sure that they have the tools necessary as they come back into our society. We have for years seen great warriors come back to the United States of America and work to make their country an even better place, and I believe that the provisions that we provide in here with these GI benefits will go a long way towards doing that.

The American people are hurting. We saw, as has been repeatedly said, the largest increase in 22 years in the unemployment rate, going up a half a percent. That's why, again, we have come in a bipartisan way to ensure that those who are truly in need, those who through no fault of their own, have lost their jobs, are able to see an extension in their unemployment benefits.

Again, I think that what we are going to be doing here in the next few minutes is we are going to be casting a bipartisan vote which will be done in the spirit of what the American people want us to do, and that is to get things done, deal with very, very important issues and problems that we face.

I urge my colleagues to support this rule and to support the underlying legislation.

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

Ms. SLAUGHTER. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentlewoman from California (Ms. WOOLSEY).

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

Ms. WOOLSEY. Mr. Speaker, I rise in opposition not to the rule but to this bill.

Mr. Speaker, today will go down in history as a failed opportunity. For $165 billion we could begin funding a safe and responsible redeployment of our troops and military contractors from Iraq. Instead, we are giving the President a blank check . . . actually, more than he asked for.

Our Nation—whether through blood or treasure—cannot afford to continue this endless occupation of Iraq.

This bill will appropriate $165.4 billion for the Department of Defense. That could be a down payment on real change for Iraq—for reconciliation, reconstruction, and refugee resettlement.

We have spent half a trillion dollars . . . and we have lost 4,101 troops and over 30,000 have been injured or maimed. Four million Iraqis have been displaced and unknown thousands have been killed.

The cost is unsustainable and we must put an immediate stop to this madness.

We must not cave to the demands of the White House. I urge my colleagues to vote against funding for the occupation.

Ms. SLAUGHTER. Mr. Speaker, I just want to make one brief remark and that is in answer to what my dear friend and colleague Mr. DREIER said about only the United States of America could afford this war. I'm not sure what kind of bookkeeping allows him to say that. Obviously the fact we are in such extraordinary debt, as one speaker on your side already pointed out today, this is an unprecedented debt. In the history of the Republic we have never been so far in debt and to say that we can afford to continue to do this, not just in money, not just in treasure, but what we are losing in lives and young people whose lives will never be the same because of the life-threatening wounds that they are bringing home.

Mr. DREIER. Mr. Speaker, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding.

I will say that I never said anything about ''affording.'' I said that only the United States of America can do this job of ensuring this struggle for freedom around the world.

Ms. SLAUGHTER. If I may reclaim my time, I think doing this job probably says we can give enough soldiers to die or to be maimed and that we have the money to pay for it. At least that would be my interpretation of what you had said.

I urge my colleagues to vote for the rule and for this bill and I hope a ''no'' vote when we get to final passage on amendment 1.

Mr. KAGEN. Mr. Speaker, Enough is enough.

I will always support our troops; but not President Bush's losing policies.

We've done our job in Iraq. Our brave soldiers took out Saddam, and Iraq has held several free elections.

They now have a budget surplus, while we suffer with a budget busting deficit. It is time to move our troops away from Iraq, and back after our real enemies—Osama bin Laden and his followers.

With three trillion dollars down the drain, President Bush's never ending occupation of Iraq will soon be known as the greatest theft in human history, driving the United States of America into bankruptcy.

We must put an end to the losing policy of wasteful government spending in Iraq, and invest our hard earned tax dollars right here at home, as we work together to build a better nation for all of us.

Ms. SLAUGHTER. Mr. Speaker, 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. BOYD of Florida. 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 1284 will be followed by a 5-minute vote on the motion to suspend the rules on House Resolution 1230.

The vote was taken by electronic device, and there were—yeas 342, nays 83, not voting 9, as follows:

[Roll No. 429]

YEAS—342

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Bachus
Baldwin
Barrow
Bartlett (MD)
Barton (TX)
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boswell
Boucher
Boustany
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Butterfield
Calvert
Camp (MI)
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carson
Carter
Castle
Castor
Cazayoux
Chabot
Childers
Cleaver
Clyburn
Cohen
Cole (OK)
Conyers
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doolittle
Doyle
Drake
Dreier
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Forbes
Fortenberry
Fossella
Foster
Foxx
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gohmert
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Hastings (FL)
Hastings (WA)
Hayes
Heller
Herger
Higgins
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney (NY)
Manzullo
Marchant
Markey
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pearce
Perlmutter
Peterson (PA)
Pickering
Platts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Roskam
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sánchez, Linda T.
Sarbanes
Scalise
Schakowsky
Schiff
Schmidt
Schwartz
Scott (VA)
Serrano
Sessions
Sestak
Shays
Shea-Porter
Sherman
Shimkus
Shuster
Simpson
Sires
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Speier
Spratt
Stearns
Stupak
Sutton
Tancredo
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Wexler
Whitfield (KY)
Wilson (NM)
Wilson (SC)
Wittman (VA)
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NAYS—83

Baca
Bachmann
Baird
Barrett (SC)
Bean
Boren
Boyd (FL)
Boyda (KS)
Broun (GA)
Burton (IN)
Buyer
Campbell (CA)
Carney
Chandler
Clarke
Clay
Coble
Conaway
Cooper
Costa
Cuellar
Culberson
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
Doggett
Donnelly
Duncan
Ellsworth
Filner
Flake
Franks (AZ)
Garrett (NJ)
Giffords
Gillibrand
Gingrey
Goode
Harman
Hensarling
Herseth Sandlin
Hill
Holt
Inglis (SC)
King (IA)
Kingston
Kucinich
Lamborn
Linder
Mahoney (FL)
Marshall
Matheson
McHenry
McIntyre
Michaud
Miller (FL)
Miller, Gary
Moore (KS)
Moran (KS)
Neugebauer
Paul
Pence
Peterson (MN)
Petri
Pitts
Poe
Price (GA)
Rohrabacher
Ross
Royce
Ryan (WI)
Sali
Sanchez, Loretta
Scott (GA)
Sensenbrenner
Shadegg
Shuler
Space
Sullivan
Tanner
Weller
Westmoreland
Wilson (OH)

NOT VOTING—9

Cannon
Gilchrest
Hulshof
McCrery
Rush
Saxton
Skelton
Stark
Tiahrt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 2 minutes remaining to vote.

□ 1844

Messrs. GARY G. MILLER of California, MORAN of Kansas, LINDER, GINGREY, McINTYRE, PENCE, Mrs. BOYDA of Kansas, Messrs. WILSON of Ohio, LAMBORN, and Ms. CLARKE changed their vote from ''yea'' to ''nay.''

Mr. BACHUS changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONDEMNING POSTELECTION VIOLENCE IN ZIMBABWE

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution, H. Res. 1230, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. PAYNE) that the House suspend the rules and agree to the resolution, H. Res. 1230, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 1, not voting 21, as follows:

[Roll No. 430]

YEAS—412

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Cazayoux
Chabot
Chandler
Childers
Clarke
Clay
Cleaver
Clyburn
Cohen
Cole (OK)
Conaway
Conyers
Costa
Costello
Courtney
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gillibrand
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra

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

NAYS—1

Paul

NOT VOTING—21

Boyd (FL)
Cannon
Coble
Cooper
Cramer
Diaz-Balart, L.
Diaz-Balart, M.
Gilchrest
Hulshof
Keller
LaHood
Larsen (WA)
McCrery
Price (GA)
Pryce (OH)
Rush
Stark
Sullivan
Tiahrt
Turner
Visclosky

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining to vote.

□ 1852

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5781, FEDERAL EMPLOYEES PAID PARENTAL LEAVE ACT OF 2008

Mr. SCOTT of Virginia. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 5781, including corrections in spelling, punctuation, section and title numbering, cross-referencing, conforming amendments to the table of contents and short titles, and the insertion of appropriate headings.

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

There was no objection.

SUPPLEMENTAL APPROPRIATIONS ACT, 2008

Mr. OBEY. Mr. Speaker, pursuant to House Resolution 1284, I call up from the Speaker's table 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, with the Senate amendments to the House amendments to the Senate amendment thereto, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will designate the Senate amendments to the House amendments to the Senate amendment.

The text of the Senate amendments to the House amendments to the Senate amendment is as follows:

Senate amendments to House amendments to Senate amendment:

In lieu of the language proposed to be inserted, insert the following:

TITLE IX

DEFENSE MATTERS

CHAPTER 1

DEFENSE SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $12,216,715,000.

MILITARY PERSONNEL, NAVY

For an additional amount for ''Military Personnel, Navy'', $894,185,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for ''Military Personnel, Marine Corps'', $1,826,688,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $1,355,544,000.

RESERVE PERSONNEL, ARMY

For an additional amount for ''Reserve Personnel, Army'', $304,200,000.

RESERVE PERSONNEL, NAVY

For an additional amount for ''Reserve Personnel, Navy'', $72,800,000.

RESERVE PERSONNEL, MARINE CORPS

For an additional amount for ''Reserve Personnel, Marine Corps'', $16,720,000.

RESERVE PERSONNEL, AIR FORCE

For an additional amount for ''Reserve Personnel, Air Force'', $5,000,000.

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for ''National Guard Personnel, Army'', $1,369,747,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For an additional amount for ''National Guard Personnel, Air Force'', $4,000,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $17,223,512,000.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Operation and Maintenance, Navy'', $2,977,864,000: Provided, That up to $112,607,000 shall be transferred to the Coast Guard ''Operating Expenses'' account.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for ''Operation and Maintenance, Marine Corps'', $159,900,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $5,972,520,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for ''Operation and Maintenance, Defense-Wide'', $3,657,562,000, of which—

(1) not to exceed $25,000,000 may be used for the Combatant Commander Initiative Fund, to be used in support of Operation Iraqi Freedom and Operation Enduring Freedom;

(2) not to exceed $800,000,000, to remain available until expended, may be used for payments to reimburse key cooperating nations, for logistical, military, and other support provided to United States military operations, notwithstanding any other provision of law: Provided, That these funds may be used for the purpose of providing specialized training and procuring supplies and specialized equipment and providing such supplies and loaning such equipment on a non-reimbursable basis to coalition forces supporting United States military operations in Iraq and Afghanistan: Provided further, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: Provided further, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided in this paragraph: Provided further, That of the amount available under this heading for the Defense Contract Management Agency, $52,000,000 shall remain available until September 30, 2009.

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for ''Operation and Maintenance, Army Reserve'', $164,839,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for ''Operation and Maintenance, Navy Reserve'', $109,876,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for ''Operation and Maintenance, Marine Corps Reserve'', $70,256,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for ''Operation and Maintenance, Air Force Reserve'', $165,994,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Army National Guard'', $685,644,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Air National Guard'', $287,369,000.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Iraq Freedom Fund'', $50,000,000, to remain available for transfer until September 30, 2009, notwithstanding any other provision of law, only for the redevelopment of the Iraqi industrial sector by identifying, and providing assistance to, factories and other industrial facilities that are best situated to resume operations quickly and reemploy the Iraqi workforce: Provided, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer.

AFGHANISTAN SECURITY FORCES FUND

For an additional amount for the ''Afghanistan Security Forces Fund'', $1,400,000,000, to remain available until September 30, 2009.

IRAQ SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the ''Iraq Security Forces Fund'', $1,500,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Multi-National Security Transition Command—Iraq, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: Provided further, That none of the assistance provided under this heading in the form of funds may be utilized for the provision of salaries, wages, or bonuses to personnel of the Iraqi Security Forces: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for ''Aircraft Procurement, Army'', $954,111,000, to remain available for obligation until September 30, 2010.

MISSILE PROCUREMENT, ARMY

For an additional amount for ''Missile Procurement, Army'', $561,656,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for ''Procurement of Weapons and Tracked Combat Vehicles, Army'', $5,463,471,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for ''Procurement of Ammunition, Army'', $344,900,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, ARMY

For an additional amount for ''Other Procurement, Army'', $16,337,340,000, to remain available for obligation until September 30, 2010.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for ''Aircraft Procurement, Navy'', $3,563,254,000, to remain available for obligation until September 30, 2010.

WEAPONS PROCUREMENT, NAVY

For an additional amount for ''Weapons Procurement, Navy'', $317,456,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for ''Procurement of Ammunition, Navy and Marine Corps'', $304,945,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, NAVY

For an additional amount for ''Other Procurement, Navy'', $1,399,135,000, to remain available for obligation until September 30, 2010.

PROCUREMENT, MARINE CORPS

For an additional amount for ''Procurement, Marine Corps'', $2,197,390,000, to remain available for obligation until September 30, 2010.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for ''Aircraft Procurement, Air Force'', $7,103,923,000, to remain available for obligation until September 30, 2010.

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for ''Missile Procurement, Air Force'', $66,943,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, AIR FORCE

For an additional amount for ''Procurement of Ammunition, Air Force'', $205,455,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for ''Other Procurement, Air Force'', $1,953,167,000, to remain available for obligation until September 30, 2010.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for ''Procurement, Defense-Wide'', $408,209,000, to remain available for obligation until September 30, 2010.

NATIONAL GUARD AND RESERVE EQUIPMENT

For an additional amount for ''National Guard and Reserve Equipment'', $825,000,000, to remain available for obligation until September 30, 2010: Provided, That the Chiefs of the National Guard and Reserve components shall, prior to the expenditure of funds, and not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees an equipment modernization priority assessment with a detailed plan for the expenditure of funds for their respective National Guard and Reserve components.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For an additional amount for ''Research, Development, Test and Evaluation, Army'', $162,958,000, to remain available until September 30, 2009.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for ''Research, Development, Test and Evaluation, Navy'', $366,110,000, to remain available until September 30, 2009.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for ''Research, Development, Test and Evaluation, Air Force'', $399,817,000, to remain available until September 30, 2009.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For an additional amount for ''Research, Development, Test and Evaluation, Defense-Wide'', $816,598,000, to remain available until September 30, 2009.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for ''Defense Working Capital Funds'', $1,837,450,000, to remain available for obligation until expended.

NATIONAL DEFENSE SEALIFT FUND

For an additional amount for ''National Defense Sealift Fund'', $5,110,000, to remain available for obligation until expended.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for ''Defense Health Program'', $1,413,864,000, of which $957,064,000 shall be for operation and maintenance; of which $91,900,000 is for procurement, to remain available until September 30, 2010; of which $364,900,000 shall be for research, development, test and evaluation, to remain available until September 30, 2009: Provided, That in addition to amounts otherwise contained in this paragraph, $75,000,000 is hereby appropriated to the ''Defense Health Program'' for operation and maintenance for psychological health and traumatic brain injury, to remain available until September 30, 2009.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Drug Interdiction and Counter-Drug Activities, Defense'', $65,317,000, to remain available until September 30, 2009.

OFFICE OF THE INSPECTOR GENERAL

For an additional amount for ''Office of the Inspector General'', $6,394,000, of which $2,000,000 shall be for research, development, test and evaluation, to remain available until September 30, 2009.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 9101. Appropriations provided in this chapter are available for obligation until September 30, 2008, unless otherwise provided in this chapter.

SEC. 9102. Notwithstanding any other provision of law, funds made available in this chapter are in addition to amounts appropriated or

otherwise made available for the Department of Defense for fiscal year 2008.

(INCLUDING TRANSFER OF FUNDS)

SEC. 9103. Upon the determination of the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer between appropriations up to $2,500,000,000 of the funds made available to the Department of Defense in this chapter: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: Provided further, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of Public Law 110–116, except for the fourth proviso.

SEC. 9104. (a) From funds made available for operation and maintenance in this chapter to the Department of Defense, not to exceed $1,226,841,000 may be used, notwithstanding any other provision of law, to fund the Commander's Emergency Response Program, for the purpose of enabling military commanders in Iraq, Afghanistan, and the Philippines to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi, Afghan, and Filipino people.

(b) Not later than 15 days after the end of each fiscal year quarter, the Secretary of Defense shall submit to the congressional defense committees a report regarding the source of funds and the allocation and use of funds during that quarter that were made available pursuant to the authority provided in this section or under any other provision of law for the purposes of the programs under subsection (a).

(INCLUDING TRANSFER OF FUNDS)

SEC. 9105. During fiscal year 2008, the Secretary of Defense may transfer not to exceed $6,500,000 of the amounts in or credited to the Defense Cooperation Account, pursuant to 10 U.S.C. 2608, to such appropriations or funds of the Department of Defense as the Secretary shall determine for use consistent with the purposes for which such funds were contributed and accepted: Provided, That such amounts shall be available for the same time period as the appropriation to which transferred: Provided further, That the Secretary shall report to the Congress all transfers made pursuant to this authority.

SEC. 9106. Of the amount appropriated by this chapter under the heading ''Drug Interdiction and Counter-Drug Activities, Defense'', not to exceed $20,000,000 may be used for the provision of support for counter-drug activities of the Governments of Afghanistan, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, and Turkmenistan, as specified in section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85, as amended by Public Laws 106–398, 108–136, 109–364, and 110–181): Provided, That such support shall be in addition to support provided under any other provision of the law.

SEC. 9107. Amounts provided in this chapter for operations in Iraq and Afghanistan may be used by the Department of Defense for the purchase of up to 20 heavy and light armored vehicles for force protection purposes, notwithstanding price or other limitations specified elsewhere in the Department of Defense Appropriations Act, 2008 (Public Law 110–116), or any other provision of law: Provided, That notwithstanding any other provision of law, funds provided in Public Law 110–116 and Public Law 110–161 under the heading ''Other Procurement, Navy'' may be used for the purchase of 21 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle: Provided further, That the Secretary of Defense shall submit a report in writing no later than 30 days after the end of each fiscal quarter notifying the congressional defense committees of any purchase described in this section, including cost, purposes, and quantities of vehicles purchased.

(INCLUDING TRANSFER OF FUNDS)

SEC. 9108. Section 8122(c) of Public Law 110–116 is amended by adding at the end the following:

''(4) Upon a determination that all or part of the funds transferred under paragraph (1) are not necessary to accomplish the purposes specified in subsection (b), such amounts may be transferred back to the 'Mine Resistant Ambush Protected Vehicle Fund'.''.

SEC. 9109. Notwithstanding any other provision of law, not to exceed $150,000,000 of funds made available in this chapter may be obligated to conduct or support a program to build the capacity of a foreign country's national military forces in order for that country to conduct counterterrorist operations or participate in or support military and stability operations in which the U.S. Armed Forces are a participant: Provided, That funds available pursuant to the authority in this section shall be subject to the same restrictions, limitations, and reporting requirements as funds available pursuant to section 1206 of Public Law 109–163 as amended.

CHAPTER 2

DEFENSE BRIDGE FUND APPROPRIATIONS FOR FISCAL YEAR 2009

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $839,000,000.

MILITARY PERSONNEL, NAVY

For an additional amount for ''Military Personnel, Navy'', $75,000,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for ''Military Personnel, Marine Corps'', $55,000,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $75,000,000.

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for ''National Guard Personnel, Army'', $150,000,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $37,300,000,000.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Operation and Maintenance, Navy'', $3,500,000,000: Provided, That up to $112,000,000 shall be transferred to the Coast Guard ''Operating Expenses'' account.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for ''Operation and Maintenance, Marine Corps'', $2,900,000,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $5,000,000,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for ''Operation and Maintenance, Defense-Wide'', $2,648,569,000, of which not to exceed $200,000,000, to remain available until expended, may be used for payments to reimburse key cooperating nations, for logistical, military, and other support provided to United States military operations, notwithstanding any other provision of law: Provided, That these funds may be used for the purpose of providing specialized training and procuring supplies and specialized equipment and providing such supplies and loaning such equipment on a non-reimbursable basis to coalition forces supporting United States military operations in Iraq and Afghanistan: Provided further, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: Provided further, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided in this paragraph.

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for ''Operation and Maintenance, Army Reserve'', $79,291,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for ''Operation and Maintenance, Navy Reserve'', $42,490,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for ''Operation and Maintenance, Marine Corps Reserve'', $47,076,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for ''Operation and Maintenance, Air Force Reserve'', $12,376,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Army National Guard'', $333,540,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Air National Guard'', $52,667,000.

AFGHANISTAN SECURITY FORCES FUND

For an additional amount for the ''Afghanistan Security Forces Fund'', $2,000,000,000, to remain available until September 30, 2009.

IRAQ SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For the ''Iraq Security Forces Fund'', $1,000,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Multi-National Security Transition Command—Iraq, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: Provided further, That none of the assistance provided under this heading in the form of funds may be utilized for the provision of salaries, wages, or bonuses to personnel of the Iraqi Security Forces: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this

Fund, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for ''Aircraft Procurement, Army'', $84,000,000, to remain available for obligation until September 30, 2011.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for ''Procurement of Weapons and Tracked Combat Vehicles, Army'', $822,674,000, to remain available for obligation until September 30, 2011.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for ''Procurement of Ammunition, Army'', $46,500,000, to remain available for obligation until September 30, 2011.

OTHER PROCUREMENT, ARMY

For an additional amount for ''Other Procurement, Army'', $1,009,050,000, to remain available for obligation until September 30, 2011.

OTHER PROCUREMENT, NAVY

For an additional amount for ''Other Procurement, Navy'', $27,948,000, to remain available for obligation until September 30, 2011.

PROCUREMENT, MARINE CORPS

For an additional amount for ''Procurement, Marine Corps'', $565,425,000, to remain available for obligation until September 30, 2011.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for ''Aircraft Procurement, Air Force'', $201,842,000, to remain available for obligation until September 30, 2011.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for ''Other Procurement, Air Force'', $1,500,644,000, to remain available for obligation until September 30, 2011.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for ''Procurement, Defense-Wide'', $177,237,000, to remain available for obligation until September 30, 2011.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for ''Research, Development, Test and Evaluation, Navy'', $113,228,000, to remain available until September 30, 2010.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for ''Research, Development, Test and Evaluation, Air Force'', $72,041,000, to remain available until September 30, 2010.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For an additional amount for ''Research, Development, Test and Evaluation, Defense-Wide'', $202,559,000, to remain available until September 30, 2010.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for ''Defense Health Program'', $1,100,000,000 for operation and maintenance.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Drug Interdiction and Counter-Drug Activities, Defense'', $188,000,000.

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Joint Improvised Explosive Device Defeat Fund'', $2,000,000,000, to remain available until September 30, 2011: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Director of the Joint Improvised Explosive Device Defeat Organization to investigate, develop and provide equipment, supplies, services, training, facilities, personnel and funds to assist United States forces in the defeat of improvised explosive devices: Provided further, That within 60 days of the enactment of this Act, a plan for the intended management and use of the amounts provided under this heading shall be submitted to the congressional defense committees: Provided further, That the Secretary of Defense shall submit a report not later than 60 days after the end of each fiscal quarter to the congressional defense committees providing assessments of the evolving threats, individual service requirements to counter the threats, the current strategy for predeployment training of members of the Armed Forces on improvised explosive devices, and details on the execution of the Fund: Provided further, That the Secretary of Defense may transfer funds provided herein to appropriations for operation and maintenance; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purpose provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 9201. Appropriations provided in this chapter are not available for obligation until October 1, 2008.

SEC. 9202. Appropriations provided in this chapter are available for obligation until September 30, 2009, unless otherwise provided in this chapter.

(INCLUDING TRANSFER OF FUNDS)

SEC. 9203. Upon the determination of the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer between appropriations up to $4,000,000,000 of the funds made available to the Department of Defense in this chapter: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: Provided further, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of Public Law 110–116, except for the fourth proviso.

SEC. 9204. (a) Not later than December 5, 2008 and every 90 days thereafter through the end of fiscal year 2009, the Secretary of Defense shall set forth in a report to Congress a comprehensive set of performance indicators and measures for progress toward military and political stability in Iraq.

(b) The report shall include performance standards and goals for security, economic, and security force training objectives in Iraq together with a notional timetable for achieving these goals.

(c) In specific, the report requires, at a minimum, the following:

(1) With respect to stability and security in Iraq, the following:

(A) Key measures of political stability, including the important political milestones that must be achieved over the next several years.

(B) The primary indicators of a stable security environment in Iraq, such as number of engagements per day, numbers of trained Iraqi forces, trends relating to numbers and types of ethnic and religious-based hostile encounters, and progress made in the transition of responsibility for the security of Iraqi provinces to the Iraqi Security Forces under the Provincial Iraqi Control (PIC) process.

(C) An assessment of the estimated strength of the insurgency in Iraq and the extent to which it is composed of non-Iraqi fighters.

(D) A description of all militias operating in Iraq, including the number, size, equipment strength, military effectiveness, sources of support, legal status, and efforts to disarm or reintegrate each militia.

(E) Key indicators of economic activity that should be considered the most important for determining the prospects of stability in Iraq, including—

(i) unemployment levels;

(ii) electricity, water, and oil production rates; and

(iii) hunger and poverty levels.

(F) The most recent annual budget for the Government of Iraq, including a description of amounts budgeted for support of Iraqi security and police forces and an assessment of how planned funding will impact the training, equipping and overall readiness of those forces.

(G) The criteria the Administration will use to determine when it is safe to begin withdrawing United States forces from Iraq.

(2) With respect to the training and performance of security forces in Iraq, the following:

(A) The training provided Iraqi military and other Ministry of Defense forces and the equipment used by such forces.

(B) Key criteria for assessing the capabilities and readiness of the Iraqi military and other Ministry of Defense forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping these forces), and the milestones and notional timetable for achieving these goals.

(C) The operational readiness status of the Iraqi military forces, including the type, number, size, and organizational structure of Iraq battalions that are—

(i) capable of conducting counterinsurgency operations independently without any support from Coalition Forces;

(ii) capable of conducting counterinsurgency operations with the support of United States or coalition forces; or

(iii) not ready to conduct counterinsurgency operations.

(D) The amount and type of support provided by Coalition Forces to the Iraqi Security Forces at each level of operational readiness.

(E) The number of Iraqi battalions in the Iraqi Army currently conducting operations and the type of operations being conducted.

(F) The rates of absenteeism in the Iraqi military forces and the extent to which insurgents have infiltrated such forces.

(G) The training provided Iraqi police and other Ministry of Interior forces and the equipment used by such forces.

(H) The level and effectiveness of the Iraqi Security Forces under the Ministry of Defense in provinces where the United States has formally transferred responsibility for the security of the province to the Iraqi Security Forces under the Provincial Iraqi Control (PIC) process.

(I) Key criteria for assessing the capabilities and readiness of the Iraqi police and other Ministry of Interior forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping), and the milestones and notional timetable for achieving these goals, including—

(i) the number of police recruits that have received classroom training and the duration of such instruction;

(ii) the number of veteran police officers who have received classroom instruction and the duration of such instruction;

(iii) the number of police candidates screened by the Iraqi Police Screening Service, the number of candidates derived from other entry procedures, and the success rates of those groups of candidates;

(iv) the number of Iraqi police forces who have received field training by international police trainers and the duration of such instruction;

(v) attrition rates and measures of absenteeism and infiltration by insurgents; and

(vi) the level and effectiveness of the Iraqi Police and other Ministry of Interior Forces in provinces where the United States has formally transferred responsibility for the security of the province to the Iraqi Security Forces under the Provincial Iraqi Control (PIC) process.

(J) The estimated total number of Iraqi battalions needed for the Iraqi security forces to perform duties now being undertaken by coalition forces, including defending the borders of Iraq and providing adequate levels of law and order throughout Iraq.

(K) The effectiveness of the Iraqi military and police officer cadres and the chain of command.

(L) The number of United States and coalition advisors needed to support the Iraqi security forces and associated ministries.

(M) An assessment, in a classified annex if necessary, of United States military requirements, including planned force rotations, through the end of calendar year 2009.

SEC. 9205. (a) REPORT BY SECRETARY OF DEFENSE.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report that contains individual transition readiness assessments by unit of Iraq and Afghan security forces. The Secretary of Defense shall submit to the congressional defense committees updates of the report required by this subsection every 90 days after the date of the submission of the report until October 1, 2009. The report and updates of the report required by this subsection shall be submitted in classified form.

(b) REPORT BY OMB.—

(1) The Director of the Office of Management and Budget, in consultation with the Secretary of Defense; the Commander, Multi-National Security Transition Command—Iraq; and the Commander, Combined Security Transition Command—Afghanistan, shall submit to the congressional defense committees not later than 120 days after the date of the enactment of this Act and every 90 days thereafter a report on the proposed use of all funds under each of the headings ''Iraq Security Forces Fund'' and ''Afghanistan Security Forces Fund'' on a project-by-project basis, for which the obligation of funds is anticipated during the 3-month period from such date, including estimates by the commanders referred to in this paragraph of the costs required to complete each such project.

(2) The report required by this subsection shall include the following:

(A) The use of all funds on a project-by-project basis for which funds appropriated under the headings referred to in paragraph (1) were obligated prior to the submission of the report, including estimates by the commanders referred to in paragraph (1) of the costs to complete each project.

(B) The use of all funds on a project-by-project basis for which funds were appropriated under the headings referred to in paragraph (1) in prior appropriations Acts, or for which funds were made available by transfer, reprogramming, or allocation from other headings in prior appropriations Acts, including estimates by the commanders referred to in paragraph (1) of the costs to complete each project.

(C) An estimated total cost to train and equip the Iraq and Afghan security forces, disaggregated by major program and sub-elements by force, arrayed by fiscal year.

(c) NOTIFICATION.—The Secretary of Defense shall notify the congressional defense committees of any proposed new projects or transfers of funds between sub-activity groups in excess of $15,000,000 using funds appropriated by this Act under the headings ''Iraq Security Forces Fund'' and ''Afghanistan Security Forces Fund''.

SEC. 9206. Funds available to the Department of Defense for operation and maintenance provided in this chapter may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: Provided, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

SEC. 9207. Supervision and administration costs associated with a construction project funded with appropriations available for operation and maintenance, ''Afghanistan Security Forces Fund'' or ''Iraq Security Forces Fund'' provided in this chapter, and executed in direct support of the Global War on Terrorism only in Iraq and Afghanistan, may be obligated at the time a construction contract is awarded: Provided, That for the purpose of this section, supervision and administration costs include all in-house Government costs.

(INCLUDING TRANSFER OF FUNDS)

SEC. 9208. (a) Notwithstanding any other provision of law, and in addition to amounts otherwise made available by this Act, there is appropriated $1,700,000,000 for the ''Mine Resistant Ambush Protected Vehicle Fund'', to remain available until September 30, 2009.

(b) The funds provided by subsection (a) shall be available to the Secretary of Defense to continue technological research and development and upgrades, to procure Mine Resistant Ambush Protected vehicles and associated support equipment, and to sustain, transport, and field Mine Resistant Ambush Protected vehicles.

(c)(1) The Secretary of Defense shall transfer funds provided by subsection (a) to appropriations for operation and maintenance; procurement; and research, development, test and evaluation to accomplish the purposes specified in subsection (b). Such transferred funds shall be merged with and be available for the same purposes and for the same time period as the appropriation to which they are transferred.

(2) The transfer authority provided by this subsection shall be in addition to any other transfer authority available to the Department of Defense.

(3) The Secretary of Defense shall, not less than 15 days prior to making any transfer under this subsection, notify the congressional defense committees in writing of the details of the transfer.

SEC. 9209. For the purposes of this Act, the term ''congressional defense committees'' means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

CHAPTER 3

GENERAL PROVISIONS—THIS TITLE

SEC. 9301. Each amount in this title is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

SEC. 9302. Funds appropriated by this title, or made available by the transfer of funds in this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

SEC. 9303. None of the funds made available in this Act may be used in contravention of the following laws enacted or regulations promulgated to implement the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (done at New York on December 10, 1984):

(1) Section 2340A of title 18, United States Code;

(2) Section 2242 of the Foreign Affairs Reform and Restructuring Act of 1998 (division G of Public Law 105–277; 112 Stat. 2681–822; 8 U.S.C. 1231 note) and regulations prescribed thereto, including regulations under part 208 of title 8, Code of Federal Regulations, and part 95 of title 22, Code of Federal Regulations; and

(3) Sections 1002 and 1003 of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109–148).

SEC. 9304. (a) REPORT REQUIRED.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense, the Secretary of State, and the Secretary of Homeland Security, in coordination with the Chairman of the Joint Chiefs of Staff and the Director of National Intelligence, shall jointly submit to Congress a report setting forth the global strategy of the United States to combat and defeat al Qaeda and its affiliates.

(b) ELEMENTS OF STRATEGY.—The strategy set forth in the report required under subsection (a) shall include the following elements:

(1) An analysis of the global threat posed by al Qaeda and its affiliates, including an assessment of the relative threat posed in particular regions or countries.

(2) Recommendations regarding the distribution and deployment of United States military, intelligence, diplomatic, and other assets to meet the relative regional and country-specific threats described in paragraph (1).

(3) Recommendations to ensure that the global deployment of United States military personnel and equipment best meet the threat identified and described in paragraph (1) and:

(A) does not undermine the military readiness or homeland security of the United States;

(B) ensures adequate time between military deployments for rest and training; and

(C) does not require further extensions of military deployments to the extent practicable.

(c) CLASSIFIED ANNEX.—The report required by subsection (a) shall be submitted in unclassified form, but shall include a classified annex.

SEC. 9305. None of the funds provided in this title may be used to finance programs or activities denied by Congress in fiscal years 2007 or 2008 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior written notification to the congressional defense committees.

SEC. 9306. Section 1002(c)(2) of the National Defense Authorization Act, Fiscal Year 2008 (Public Law 110–181) is amended by striking ''$362,159,000'' and inserting ''$435,259,000''.

SEC. 9307. None of the funds appropriated or otherwise made available by this title may be obligated or expended to provide award fees to any defense contractor contrary to the provisions of section 814 of the National Defense Authorization Act, Fiscal Year 2007 (Public Law 109–364).

(RESCISSIONS)

SEC. 9308. (a) Of the funds made available for ''Defense Health Program'' in Public Law 110–28, $75,000,000 are rescinded.

(b) Of the funds made available for ''Joint Improvised Explosive Device Defeat Fund'' in division L of the Consolidated Appropriations Act, 2008 (Public Law 110–161), $71,531,000 are rescinded.

SEC. 9309. Of the funds appropriated in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28) which remain available for obligation under the ''Iraq Freedom Fund'', $150,000,000 is only for the Joint Rapid Acquisition Cell, and $10,000,000 is only for the transportation of fallen service members.

SEC. 9310. None of the funds available to the Department of Defense may be obligated or expended to implement any final action on joint basing initiatives required under the 2005 round of defense base closure and realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) until each affected Secretary of a military department or the head of each affected Federal agency certifies to the congressional defense committees that joint basing at the affected military installation will result in significant costs savings and will not negatively impact the morale of members of the Armed Forces.

SEC. 9311. Funds available in this title which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment unit cost of not more than $250,000: Provided, That upon determination by the Secretary of Defense that such action is necessary to meet the operational requirements of a Commander of a Combatant Command engaged in contingency operations overseas, such funds may be used to purchase items having an investment item unit cost of not more than $500,000.

In lieu of the language proposed to be inserted, insert the following:

TITLE I

OTHER SECURITY, MILITARY CONSTRUCTION, AND INTERNATIONAL MATTERS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

For an additional amount for ''Public Law 480 Title II Grants'', $850,000,000, to remain available until expended.

For an additional amount for ''Public Law 480 Title II Grants'', $395,000,000, to become available on October 1, 2008, and to remain available until expended.

CHAPTER 2

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

OFFICE OF INSPECTOR GENERAL

For an additional amount for the Office of the Inspector General, $4,000,000, to remain available until September 30, 2009.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for ''Salaries and Expenses, General Legal Activities'', $1,648,000, to remain available until September 30, 2009.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for ''Salaries and Expenses, United States Attorneys'', $5,000,000, to remain available until September 30, 2009.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $18,621,000, to remain available until September 30, 2009.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $164,965,000, to remain available until September 30, 2009.

For an additional amount for ''Salaries and Expenses'', $82,600,000 to become available on October 1, 2008 and to remain available until September 30, 2009.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $22,666,000, to remain available until September 30, 2009.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $4,000,000, to remain available until September 30, 2009.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $9,100,000, to remain available until September 30, 2009.

CHAPTER 3

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

For an additional amount for ''Military Construction, Army'', $1,170,200,000: Provided, That such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds made available under this heading, $1,033,000,000 shall remain available until September 30, 2009, and $137,200,000 shall remain available until September 30, 2012: Provided further, That funds made available under this heading for military construction projects in Iraq shall not be obligated or expended until the Secretary of Defense certifies to the Committees on Appropriations of both Houses of Congress that none of the funds are to be used for the purpose of providing facilities for the permanent basing of U.S. military personnel in Iraq.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Military Construction, Navy and Marine Corps'', $300,084,000: Provided, That such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds made available under this heading, $270,785,000 shall remain available until September 30, 2009, and $29,299,000 shall remain available until September 30, 2012.

MILITARY CONSTRUCTION, AIR FORCE

For an additional amount for ''Military Construction, Air Force'', $361,900,000: Provided, That such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds made available under this heading, $324,300,000 shall remain available until September 30, 2009, and $37,600,000 shall remain available until September 30, 2012: Provided further, That funds made available under this heading for military construction projects in Iraq shall not be obligated or expended until the Secretary of Defense certifies to the Committees on Appropriations of both Houses of Congress that none of the funds are to be used for the purpose of providing facilities for the permanent basing of U.S. military personnel in Iraq.

MILITARY CONSTRUCTION, DEFENSE-WIDE

For an additional amount for ''Military Construction, Defense-Wide'', $27,600,000, to remain available until September 30, 2009: Provided, That such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Family Housing Construction, Navy and Marine Corps'', $11,766,000, to remain available until September 30, 2012: Provided, That such funds may be obligated or expended for planning and design and military construction projects not otherwise authorized by law.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005

For deposit into the Department of Defense Base Closure Account 2005, established by section 2906A(a)(1) of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note), $1,202,886,000, to remain available until expended.

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For an additional amount for ''General Operating Expenses'', $100,000,000, to remain available until expended.

INFORMATION TECHNOLOGY SYSTEMS

For an additional amount for ''Information Technology Systems'', $20,000,000, to remain available until expended.

CONSTRUCTION, MAJOR PROJECTS

For an additional amount for ''Construction, Major Projects'', $437,100,000, to remain available until expended, which shall be for acceleration and completion of planned major construction of Level I polytrauma rehabilitation centers as identified in the Department of Veterans Affairs' Five Year Capital Plan: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and major medical facility construction not otherwise authorized by law: Provided further, That within 30 days of enactment of this Act the Secretary shall submit to the Committees on Appropriations of both Houses of Congress an expenditure plan for funds provided under this heading.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1301. In addition to amounts otherwise appropriated or made available under the heading ''Military Construction, Army'', there is hereby appropriated an additional $70,600,000, to remain available until September 30, 2012, for the acceleration and completion of child development center construction as proposed in the fiscal year 2009 budget request for the Department of the Army: Provided, That such funds may be obligated and expended to carry out planning and design and military construction not otherwise authorized by law.

SEC. 1302. In addition to amounts otherwise appropriated or made available under the heading ''Military Construction, Navy and Marine Corps'', there is hereby appropriated an additional $89,820,000, to remain available until September 30, 2012, for the acceleration and completion of child development and youth center construction as proposed in the fiscal year 2009 budget request for the Department of the Navy: Provided, That such funds may be obligated and expended to carry out planning and design and military construction not otherwise authorized by law.

SEC. 1303. In addition to amounts otherwise appropriated or made available under the heading ''Military Construction, Air Force'', there is hereby appropriated an additional $8,100,000, to remain available until September 30, 2012, for the acceleration and completion of child development center construction as proposed in the fiscal year 2009 budget request for the Department of the Air Force: Provided, That such funds may be obligated and expended to carry out planning and design and military construction not otherwise authorized by law.

SEC. 1304. In addition to amounts otherwise appropriated or made available under the heading ''Military Construction, Army'', there is hereby appropriated an additional $200,000,000, to remain available until September 30, 2012, to accelerate barracks improvements at Department of the Army installations: Provided, That such funds may be obligated and expended to carry out planning and design and barracks construction not otherwise authorized by law: Provided

further, That within 30 days of enactment of this Act the Secretary shall submit to the Committees on Appropriations of both Houses of Congress an expenditure plan for barracks construction prior to obligation.

SEC. 1305. COLLECTION OF CERTAIN INDEBTEDNESS OF MEMBERS OF THE ARMED FORCES AND VETERANS WHO DIE OF INJURY INCURRED OR AGGRAVATED IN SERVICE IN THE LINE OF DUTY IN A COMBAT ZONE. (a) LIMITATION ON AUTHORITY.—

(1) IN GENERAL.—Chapter 53 of title 38, United States Code, is amended by inserting after section 5302 the following new section:

"§5302A. Collection of indebtedness: certain debts of members of the Armed Forces and veterans who die of injury incurred or aggravated in the line of duty in a combat zone

''(a) LIMITATION ON AUTHORITY.—The Secretary may not collect all or any part of an amount owed to the United States by a member of the Armed Forces or veteran described in subsection (b) under any program under the laws administered by the Secretary, other than a program referred to in subsection (c), if the Secretary determines that termination of collection is in the best interest of the United States.

''(b) COVERED INDIVIDUALS.—A member of the Armed Forces or veteran described in this subsection is any member or veteran who dies as a result of an injury incurred or aggravated in the line of duty while serving in a theater of combat operations (as determined by the Secretary in consultation with the Secretary of Defense) in a war or in combat against a hostile force during a period of hostilities (as that term is defined in section 1712A(a)(2)(B) of this title) after September 11, 2001.

''(c) INAPPLICABILITY TO HOUSING AND SMALL BUSINESS BENEFIT PROGRAMS.—The limitation on authority in subsection (a) shall not apply to any amounts owed the United States under any program carried out under chapter 37 of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of such title is amended by inserting after the item relating to section 5302 the following new item:

''5302A. Collection of indebtedness: certain debts of members of the Armed Forces and veterans who die of injury incurred or aggravated in the line of duty in a combat zone.''.

(b) EQUITABLE REFUND.—In any case where all or any part of an indebtedness of a covered individual, as described in section 5302A(a) of title 38, United States Code, as added by subsection (a)(1), was collected after September 11, 2001, and before the date of the enactment of this Act, and the Secretary of Veterans Affairs determines that such indebtedness would have been terminated had such section been in effect at such time, the Secretary may refund the amount so collected if the Secretary determines that the individual is equitably entitled to such refund.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to collections of indebtedness of members of the Armed Forces and veterans who die on or after September 11, 2001.

(d) SHORT TITLE.—This section may be cited as the ''Combat Veterans Debt Elimination Act of 2008''.

CHAPTER 4

SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $1,413,700,000, to remain available until September 30, 2009, of which $212,400,000 for worldwide security protection is available until expended: Provided, That not more than $1,095,000,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq: Provided further, That of the funds appropriated under this heading, not more than $30,000,000 shall be made available to establish and implement a coordinated civilian response capacity at the United States Department of State: Provided further, That of the funds appropriated under this heading, up to $5,000,000 shall be made available to establish a United States Consulate in Lhasa, Tibet: Provided further, That the Department of State shall not consent to the opening of a consular post in the United States by the People's Republic of China until such time as a United States Consulate in Lhasa, Tibet is established.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of Inspector General'', $12,500,000, to remain available until September 30, 2009: Provided, That $2,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight, and up to $5,000,000 may be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For an additional amount for ''Educational and Cultural Exchange Programs'', $10,000,000, to remain available until September 30, 2009, of which $5,000,000 shall be for programs and activities in Africa, and $5,000,000 shall be for programs and activities in the Western Hemisphere.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance'', $76,700,000, to remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $66,000,000, to remain available until September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'', $383,600,000, to remain available until September 30, 2009, of which $333,600,000 shall be made available for the United Nations-African Union Hybrid Mission in Darfur.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for ''International Broadcasting Operations'', $3,000,000, to remain available until September 30, 2009.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $240,000,000, to remain available until expended.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for ''Operating Expenses of the United States Agency for International Development'', $149,500,000, to remain available until September 30, 2009: Provided, That of the funds appropriated under this heading, not more than $25,000,000 shall be made available to establish and implement a coordinated civilian response capacity at the United States Agency for International Development.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Operating Expenses of the United States Agency for International Development Office of Inspector General'', $4,000,000, to remain available until September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'', $1,962,500,000, to remain available until September 30, 2009, of which not more than $398,000,000 may be made available for assistance for Iraq, $150,000,000 shall be made available for assistance for Jordan to meet the needs of Iraqi refugees, and up to $53,000,000 may be made available for energy-related assistance for North Korea, notwithstanding any other provision of law: Provided, That not more than $200,000,000 of the funds appropriated under this heading in this subchapter shall be made available for assistance for the West Bank: Provided further, That funds made available pursuant to the previous proviso shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the funds made available under this heading for energy-related assistance for North Korea may be made available to support the goals of the Six Party Talks Agreements after the Secretary of State determines and reports to the Committees on Appropriations that North Korea is continuing to fulfill its commitments under such agreements.

DEPARTMENT OF STATE

DEMOCRACY FUND

For an additional amount for ''Democracy Fund'', $76,000,000, to remain available until September 30, 2009, of which $75,000,000 shall be for democracy programs in Iraq and $1,000,000 shall be for democracy programs in Chad.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $520,000,000, to remain available until September 30, 2009, of which not more than $25,000,000 shall be made available for security assistance for the West Bank: Provided, That of the funds appropriated under this heading, $1,000,000 shall be made available for the Office of the United Nations High Commissioner for Human Rights in Mexico.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $330,500,000, to remain available until expended.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For an additional amount for ''United States Emergency Refugee and Migration Assistance Fund'', $36,608,000, to remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', $10,000,000, to remain available until September 30, 2009.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

PEACEKEEPING OPERATIONS

For an additional amount for ''Peacekeeping Operations'', $10,000,000, to remain available until September 30, 2009.

SUBCHAPTER B—BRIDGE FUND APPROPRIATIONS FOR FISCAL YEAR 2009

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $652,400,000, which shall become available on October 1, 2008 and remain available through September 30, 2009: Provided, That of the funds appropriated under this heading, $78,400,000 is for worldwide security protection and shall remain available until

expended: Provided further, That not more than $500,000,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of Inspector General'', $57,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009: Provided, That $36,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight and up to $5,000,000 shall be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance'', $41,300,000, which shall become available on October 1, 2008 and remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $75,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'', $150,500,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for ''International Broadcasting Operations'', $6,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

GLOBAL HEALTH AND CHILD SURVIVAL

For an additional amount for ''Global Health and Child Survival'', $75,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, for programs to combat avian influenza.

DEVELOPMENT ASSISTANCE

For an additional amount for ''Development Assistance'', $200,000,000, for assistance for developing countries to address the international food crisis notwithstanding any other provision of law, which shall become available on October 1, 2008 and remain available through September 30, 2010: Provided, That such assistance should be carried out consistent with the purposes of section 103(a)(1) of the Foreign Assistance Act of 1961: Provided further, That not more than $50,000,000 should be made available for local or regional purchase and distribution of food: Provided further, That the Secretary of State shall submit to the Committees on Appropriations not later than 45 days after enactment of this Act, and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of such funds to alleviate hunger and malnutrition, including a list of those countries facing significant food shortages.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $200,000,000, which shall become available on October 1, 2008 and remain available until expended.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for ''Operating Expenses of the United States Agency for International Development'', $93,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Operating Expenses of the United States Agency for International Development Office of Inspector General'', $1,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'', $1,132,300,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, of which not more than $110,000,000 may be made available for assistance for Iraq, $100,000,000 shall be made available for assistance for Jordan, not more than $455,000,000 may be made available for assistance for Afghanistan, not more than $150,000,000 may be made available for assistance for Pakistan, not more than $150,000,000 shall be made available for assistance for the West Bank, and $15,000,000 may be made available for energy-related assistance for North Korea, notwithstanding any other provision of law.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $151,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, of which not more than $50,000,000 shall be made available for security assistance for the West Bank.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $350,000,000, which shall become available on October 1, 2008 and remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', $4,500,000, for humanitarian demining assistance for Iraq, which shall become available on October 1, 2008 and remain available through September 30, 2009.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $145,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009, of which $100,000,000 shall be made available for assistance for Jordan: Provided, That section 3802(c) of title III, chapter 8 of Public of Law 110–28 shall apply to funds made available under this heading for assistance for Lebanon.

PEACEKEEPING OPERATIONS

For an additional amount for ''Peacekeeping Operations'', $85,000,000, which shall become available on October 1, 2008 and remain available through September 30, 2009.

SUBCHAPTER C—GENERAL PROVISIONS—THIS CHAPTER

EXTENSION OF AUTHORITIES

SEC. 1401. Funds appropriated by this chapter may be obligated and expended notwithstanding section 10 of Public Law 91–672 (22 U.S.C. 2412), section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), section 313 of the Foreign Relations Authorization Act, Fiscal Year 1994 and 1995 (22 U.S.C. 6212), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

IRAQ

SEC. 1402. (a) ASSET TRANSFER AGREEMENT.—(1) None of the funds appropriated by this chapter for infrastructure maintenance activities in Iraq may be made available until the Secretary of State certifies and reports to the Committees on Appropriations that the Governments of the United States and Iraq have entered into, and are implementing, an asset transfer agreement that includes commitments by the Government of Iraq to maintain United States-funded infrastructure in Iraq.

(2) None of the funds appropriated by this chapter may be made available for the construction of prison facilities in Iraq.

(b) ANTI-CORRUPTION.—None of the funds appropriated by this chapter for rule of law programs in Iraq may be made available for assistance for the Government of Iraq until the Secretary of State certifies and reports to the Committees on Appropriations that a comprehensive anti-corruption strategy has been developed, and is being implemented, by the Government of Iraq, and the Secretary of State submits a list, in classified form if necessary, to the Committees on Appropriations of senior Iraqi officials who the Secretary has credible evidence to believe have committed corrupt acts.

(c) PROVINCIAL RECONSTRUCTION TEAMS.—None of the funds appropriated by this chapter for the operational or program expenses of Provincial Reconstruction Teams (PRTs) in Iraq may be made available until the Secretary of State submits a report to the Committees on Appropriations detailing—

(1) the strategy for the eventual winding down and close out of PRTs;

(2) anticipated costs associated with PRT operations, programs, and eventual winding down and close out, including security for PRT personnel and anticipated Government of Iraq contributions; and

(3) anticipated placement and cost estimates of future United States Consulates in Iraq.

(d) COMMUNITY STABILIZATION PROGRAM.—None of the funds appropriated by this chapter for the Community Stabilization Program in Iraq may be made available until the Secretary of State certifies and reports to the Committees on Appropriations that the United States Agency for International Development is implementing recommendations contained in Office of Inspector General Audit Report No. E–267–08–001–P to ensure accountability of funds.

(e) MATCHING REQUIREMENT.—

(1) Notwithstanding any other provision of law, funds appropriated by this chapter for assistance for Iraq shall be made available only to the extent that the Government of Iraq matches such assistance on a dollar-for-dollar basis.

(2) Subsection (e)(1) shall not apply to funds made available for—

(A) grants and cooperative agreements for programs to promote democracy and human rights;

(B) the Community Action Program and other assistance through civil society organizations;

(C) humanitarian demining; or

(D) assistance for refugees, internally displaced persons, and civilian victims of the military operations.

(3) The Secretary of State shall certify to the Committees on Appropriations prior to the initial obligation of funds pursuant to this section that the Government of Iraq has committed to obligate matching funds on a dollar-for-dollar basis. The Secretary shall submit a report to the Committees on Appropriations not later than September 30, 2008 and 180 days thereafter, detailing the amounts of funds obligated and expended by the Government of Iraq to meet the requirements of this section.

(4) Not later than 45 days after enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations detailing the amounts provided by the Government of Iraq since June 30, 2004, to assist Iraqi refugees in Syria, Jordan, and elsewhere, and the amount of such assistance the Government of Iraq plans to provide in fiscal year 2008. The

Secretary shall work expeditiously with the Government of Iraq to establish an account within its annual budget sufficient to, at a minimum, match United States contributions on a dollar-for-dollar basis to organizations and programs for the purpose of assisting Iraqi refugees.

(f) VETTING.—Prior to the initial obligation of funds appropriated for assistance for Iraq in this chapter, the Secretary of State shall, in consultation with the heads of other Federal departments and agencies, take appropriate steps to ensure that such funds are not provided to or through any individual, private entity, or educational institution that the Secretary knows or has reason to believe advocates, plans, sponsors, or engages in, terrorist activities.

(g) IRAQ RELIEF AND RECONSTRUCTION FUND.—

(1) Notwithstanding any other provision of law, the expired balances of funds appropriated or otherwise made available under the heading ''Iraq Relief and Reconstruction Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs shall be rescinded.

(2) None of the funds made available under the heading ''Iraq Relief and Reconstruction Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs may be reprogrammed for any purpose other than that previously notified to the Committees on Appropriations prior to April 30, 2008, and none of such funds may be made available to initiate any new projects or activities.

(3) Not later than 30 days after enactment of this Act, the Secretary of State shall report to the Committees on Appropriations on the balances of obligated funds referenced in subsection (g)(1), and estimates of the amount of funds required to close out ongoing projects or for outstanding claims.

AFGHANISTAN

SEC. 1403. (a) ASSISTANCE FOR WOMEN AND GIRLS.—Funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan shall be made available, to the maximum extent practicable, through local Afghan provincial and municipal governments and Afghan civil society organizations and in a manner that emphasizes the participation of Afghan women and directly improves the economic, social and political status of Afghan women and girls.

(b) HIGHER EDUCATION.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are made available for education programs in Afghanistan, not less than 50 percent shall be made available to support higher education and vocational training programs in law, accounting, engineering, public administration, and other disciplines necessary to rebuild the country, in which the participation of women is emphasized.

(c) CIVILIAN ASSISTANCE.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan, not less than $10,000,000 shall be made available for continued support of the United States Agency for International Development's Afghan Civilian Assistance Program, and not less than $2,000,000 shall be made available for a United States contribution to the North Atlantic Treaty Organization/International Security Assistance Force Post-Operations Humanitarian Relief Fund.

(d) ANTI-CORRUPTION.—Not later than 90 days after the enactment of this Act, the Secretary of State shall—

(1) submit a report to the Committees on Appropriations on actions being taken by the Government of Afghanistan to combat corruption within the national and provincial governments, including to remove and prosecute officials who have committed corrupt acts;

(2) submit a list to the Committees on Appropriations, in classified form if necessary, of senior Afghan officials who the Secretary has credible evidence to believe have committed corrupt acts; and

(3) certify and report to the Committees on Appropriations that effective mechanisms are in place to ensure that assistance to national government ministries and provincial governments will be properly accounted for.

WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA

SEC. 1404. (a) ANNUAL WAIVER AUTHORITY.—

(1) IN GENERAL.—Except as provided in subsection (b), the President may waive in whole or in part, with respect to North Korea, the application of any sanction under section 102(b) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)), for the purpose of—

(A) assisting in the implementation and verification of the compliance by North Korea with its commitment, undertaken in the Joint Statement of September 19, 2005, to abandon all nuclear weapons and existing nuclear programs as part of the verifiable denuclearization of the Korean Peninsula; and

(B) promoting the elimination of the capability of North Korea to develop, deploy, transfer, or maintain weapons of mass destruction and their delivery systems.

(2) DURATION OF WAIVER.—Any waiver issued under this subsection shall expire at the end of the calendar year in which it is issued.

(b) EXCEPTIONS.—

(1) LIMITED EXCEPTION RELATED TO CERTAIN SANCTIONS AND PROHIBITIONS.—The authority under subsection (a) shall not apply with respect to a sanction or prohibition under subparagraph (B), (C), or (G) of section 102(b)(2) of the Arms Export Control Act, unless the President determines and certifies to the appropriate congressional committees that—

(A) all reasonable steps will be taken to assure that the articles or services exported or otherwise provided will not be used to improve the military capabilities of the armed forces of North Korea; and

(B) such waiver is in the national security interests of the United States.

(2) LIMITED EXCEPTION RELATED TO CERTAIN ACTIVITIES.—Unless the President determines and certifies to the appropriate congressional committees that using the authority under subsection (a) is vital to the national security interests of the United States, such authority shall not apply with respect to—

(A) an activity described in subparagraph (A) of section 102(b)(1) of the Arms Export Control Act that occurs after September 19, 2005, and before the date of the enactment of this Act;

(B) an activity described in subparagraph (C) of such section that occurs after September 19, 2005; or

(C) an activity described in subparagraph (D) of such section that occurs after the date of enactment of this Act.

(3) EXCEPTION RELATED TO CERTAIN ACTIVITIES OCCURRING AFTER DATE OF ENACTMENT.—The authority under subsection (a) shall not apply with respect to an activity described in subparagraph (A) or (B) of section 102(b)(1) of the Arms Export Control Act that occurs after the date of the enactment of this Act.

(c) NOTIFICATIONS AND REPORTS.—

(1) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees in writing not later than 15 days before exercising the waiver authority under subsection (a).

(2) ANNUAL REPORT.—Not later than January 31, 2009, and annually thereafter, the President shall submit to the appropriate congressional committees a report that—

(A) lists all waivers issued under subsection (a) during the preceding year;

(B) describes in detail the progress that is being made in the implementation of the commitment undertaken by North Korea, in the Joint Statement of September 19, 2005, to abandon all nuclear weapons and existing nuclear programs as part of the verifiable denuclearization of the Korean Peninsula;

(C) discusses specifically any shortcomings in the implementation by North Korea of that commitment; and

(D) lists and describes the progress and shortcomings, in the preceding year, of all other programs promoting the elimination of the capability of North Korea to develop, deploy, transfer, or maintain weapons of mass destruction or their delivery systems.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate; and

(2) the Committees on Appropriations, Armed Services, and Foreign Affairs of the House of Representatives.

MEXICO

SEC. 1405. (a) ASSISTANCE FOR MEXICO.—Of the funds appropriated in subchapter A under the heading ''International Narcotics Control and Law Enforcement'', not more than $350,000,000 may be made available for assistance for Mexico, only to combat drug trafficking and related violence and organized crime, and for judicial reform, anti-corruption, and rule of law activities: Provided, That none of the funds made available under this section shall be made available for budget support or as cash payments: Provided further, That none of the funds made available under this section shall be available for obligation until the Secretary of State determines and reports to the Committees on Appropriations that vetting procedures are in place to ensure that members and units of the Mexican military and police forces that receive assistance pursuant to this section have not been involved in human rights violations or corrupt acts.

(b) ALLOCATION OF FUNDS.—Twenty-five percent of the funds made available by subchapter A for assistance for Mexico under the heading ''International Narcotics Control and Law Enforcement'' may be obligated only after the Secretary of State determines and reports to the Committees on Appropriations that:

(1) The Government of Mexico is—

(A) strengthening the legal authority and independence of the National Human Rights Commission;

(B) establishing police complaints commissions with authority and independence to receive complaints and carry out effective investigations;

(C) establishing an independent mechanism, with representation from civil society, to monitor programs to combat drug trafficking and related violence and organized crime, judicial reform, anti-corruption, and rule of law activities to ensure due process and the protection of freedoms of expression, association, and assembly, and rights of privacy, in accordance with Mexican and international law;

(D) is enforcing the prohibition on the use of testimony obtained through torture or other ill-treatment in violation of Mexican and international law;

(E) is ensuring that the Mexican military justice system is transferring all cases involving allegations of human rights violations by military personnel to civilian prosecutors and judicial authorities, and that the armed forces are fully cooperating with civilian prosecutors and judicial authorities in prosecuting and punishing in civilian courts members of the armed forces who have been credibly alleged to have committed such violations; and

(F) is ensuring that federal and state police forces are fully cooperating with prosecutors and judicial authorities in prosecuting and punishing members of the police forces who have been credibly alleged to have committed violations of human rights.

(2) Civilian prosecutors and judicial authorities are investigating, prosecuting and punishing members of the Mexican military and police forces who have been credibly alleged to have committed human rights violations.

(c) EXCEPTION.—Notwithstanding subsection (b), of the funds made available for assistance for Mexico pursuant to this section, $3,000,000 shall be made available for technical and other assistance to enable the Government of Mexico to implement a unified national registry of federal, state, and municipal police officers, and $5,000,000 should be made available to the Bureau of Alcohol, Tobacco, Firearms and Explosives to deploy special agents in Mexico to support Mexican law enforcement agencies in tracing seized firearms and investigating firearms trafficking cases.

(d) REPORT.—The report required in subsection (b) shall include a description of actions taken with respect to each requirement specified in subsection (b) and the cases or issues brought to the attention of the Secretary of State for which the response or action taken has been inadequate.

(e) NOTIFICATION.—Funds made available for Mexico in subchapter A shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(f) SPENDING PLAN.—Not later than 45 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a detailed spending plan for funds appropriated or otherwise made available for Mexico in subchapter A, which shall include a strategy for combating drug trafficking and related violence and organized crime, judicial reform, preventing corruption, and strengthening the rule of law, with concrete goals, actions to be taken, budget proposals, and anticipated results.

(g) CONSULTATION.—Not later than 90 days after the date of the enactment of this Act, and every 120 days thereafter until September 30, 2010, the Secretary of State shall consult with Mexican and internationally recognized human rights organizations on progress in meeting the requirements described in subsection (b).

CENTRAL AMERICA

SEC. 1406. (a) ASSISTANCE FOR THE COUNTRIES OF CENTRAL AMERICA.—Of the funds appropriated in subchapter A under the headings ''International Narcotics Control and Law Enforcement'' and ''Economic Support Fund'', not more than $100,000,000 may be made available for assistance for the countries of Central America, Haiti, and the Dominican Republic only to combat drug trafficking and related violence and organized crime, and for judicial reform, anti-corruption, and rule of law activities: Provided, That of the funds appropriated under the heading ''Economic Support Fund'', $40,000,000 shall be made available through the United States Agency for International Development for an Economic and Social Development Fund for Central America: Provided further, That of the funds made available pursuant to this section, $5,000,000 shall be made available for assistance for Haiti and $5,000,000 shall be made available for assistance for the Dominican Republic: Provided further, That of the funds made available pursuant to this section that are available for assistance for Guatemala, not less than $1,000,000 shall be made available for a United States contribution to the International Commission Against Impunity in Guatemala: Provided further, That none of the funds shall be made available for budget support or as cash payments: Provided further, That, with the exception of the first and third provisos in this section, none of the funds shall be available for obligation until the Secretary of State determines and reports to the Committees on Appropriations that vetting procedures are in place to ensure that members and units of the military and police forces of the countries of Central America, Haiti and the Dominican Republic that receive assistance pursuant to this section have not been involved in human rights violations or corrupt acts.

(b) ALLOCATION OF FUNDS.—Twenty-five percent of the funds made available by subchapter A for assistance for the countries of Central America, Haiti and the Dominican Republic under the heading ''International Narcotics Control and Law Enforcement'' may be obligated only after the Secretary of State determines and reports to the Committees on Appropriations that the government of such country is—

(1) establishing a police complaints commission with authority and independence to receive complaints and carry out effective investigations;

(2) implementing reforms to improve the capacity and ensure the independence of the judiciary; and

(3) suspending, prosecuting and punishing members of the military and police forces who have been credibly alleged to have committed violations of human rights and corrupt acts.

(c) REPORT.—The report required in subsection (b) shall include actions taken with respect to each requirement and the cases or issues brought to the attention of the Secretary for which the response or action taken has been inadequate.

(d) NOTIFICATION.—Funds made available for assistance for the countries of Central America, Haiti and the Dominican Republic in subchapter A shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(e) SPENDING PLAN.—Not later than 45 days after enactment of this Act the Secretary of State shall submit to the Committees on Appropriations a detailed spending plan for funds appropriated or otherwise made available for the countries of Central America, Haiti and the Dominican Republic in subchapter A, which shall include a strategy for combating drug trafficking and related violence and organized crime, judicial reform, preventing corruption, and strengthening the rule of law, with concrete goals, actions to be taken, budget proposals and anticipated results.

(f) CONSULTATION.—Not later than 90 days after the date of enactment of this Act and every 120 days thereafter until September 30, 2010, the Secretary of State shall consult with internationally recognized human rights organizations, and human rights organizations in the countries of Central America, Haiti and the Dominican Republic receiving assistance pursuant to this section, on progress in meeting the requirements described in subsection (b).

(g) DEFINITION.—For the purposes of this section, the term ''countries of Central America'' means Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

TECHNICAL PROVISIONS

SEC. 1407. (a) ADMINISTRATIVE EXPENSES.—Of the funds appropriated or otherwise made available under the heading ''Economic Support Fund'' by title III of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161), up to $7,800,000 may be made available, in addition to amounts otherwise available for such purposes, for administrative expenses of the United States Agency for International Development for alternative development programs in the Andean region of South America. These funds may be used to reimburse funds appropriated under the heading ''Operating Expenses of the United States Agency for International Development'' for obligations incurred for the purposes provided under this section prior to enactment of this Act.

(b) AUTHORITY.—Funds appropriated or otherwise made available by title III of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161) under the heading ''Economic Support Fund'' that are available for a competitively awarded grant for nuclear security initiatives relating to North Korea shall be made available notwithstanding any other provision of law.

(c) EXTENSION OF AUTHORITY.—Not more than $1,350,000 of the funds appropriated or otherwise made available under the heading ''Foreign Military Financing Program'' by the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161) that were previously transferred to and merged with ''Diplomatic and Consular Programs'' may be made available for any purposes authorized for that account, of which up to $500,000 shall be made available to increase the capacity of the United States Embassy in Mexico City to vet members and units of Mexican military and police forces that receive assistance made available by this Act and to monitor the uses of such assistance.

(d) REIMBURSEMENTS.—Any agreement for the transfer or allocation of funds appropriated by this Act, or prior Acts, entered into between the United States Agency for International Development and another agency of the United States Government under the authority of section 632(a) of the Foreign Assistance Act of 1961 or any comparable provision of law, shall include the provision of sufficient funds to fully reimburse the United States Agency for International Development for the administrative costs, including the cost of direct hire personnel, incurred in implementing and managing the programs and activities under such transfer or allocation. Such funds transferred or allocated to the United States Agency for International Development for administrative costs shall be transferred to and merged with ''Operating Expenses of the United States Agency for International Development''.

(e) EXCEPTION.—Section 8002 of title VIII of this Act shall not apply to this section.

(f) SPENDING AUTHORITY.—Funds made available by this chapter may be expended notwithstanding section 699K of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161).

BUYING POWER MAINTENANCE ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

SEC. 1408. (a) Of the funds appropriated under the heading ''Diplomatic and Consular Programs'' and allocated by section 3810 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28), $26,000,000 shall be transferred to and merged with funds in the ''Buying Power Maintenance Account'': Provided, That of the funds made available by this chapter up to an additional $74,000,000 may be transferred to and merged with the ''Buying Power Maintenance Account'', subject to the regular notification procedures of the Committees on Appropriations and in accordance with the procedures in section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706). Any funds transferred pursuant to this section shall be available, without fiscal year limitation, pursuant to section 24 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696).

(b) Section 24(b)(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(b)(7)) is amended by amending subparagraph (D) to read as follows:

''(D) The authorities contained in this paragraph may be exercised only with respect to funds appropriated or otherwise made available after fiscal year 2008.''.

SERBIA

SEC. 1409. (a) Of the funds made available for assistance for Serbia under the heading ''Assistance for Eastern Europe and the Baltic States''

by title III of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161), an amount equivalent to the costs of damage to the United States Embassy in Belgrade, Serbia, as estimated by the Secretary of State, resulting from the February 21, 2008 attack on such Embassy, shall be transferred to, and merged with, funds provided under the heading ''Embassy Security, Construction, and Maintenance'' to be used for necessary repairs or future construction.

(b) The requirements of subsection (a) shall not apply if the Secretary of State certifies to the Committees on Appropriations that the Government of Serbia has provided full compensation to the Department of State for damages to the United States Embassy in Belgrade, Serbia resulting from the February 21, 2008 attack on such Embassy.

(c) Section 8002 of title VIII of this Act shall not apply to this section.

RESCISSIONS

(INCLUDING RESCISSIONS)

SEC. 1410. (a) WORLD FOOD PROGRAM.—

(1) For an additional amount for a contribution to the World Food Program to assist farmers in countries affected by food shortages to increase crop yields, notwithstanding any other provision of law, $20,000,000, to remain available until expended.

(2) Of the funds appropriated under the heading ''Andean Counterdrug Initiative'' in prior acts making appropriations for foreign operations, export financing, and related programs, $20,000,000 are rescinded.

(b) SUDAN.—

(1) For an additional amount for ''International Narcotics Control and Law Enforcement'', $10,000,000, for assistance for Sudan to support formed police units, to remain available until September 30, 2009, and subject to prior consultation with the Committees on Appropriations.

(2) Of the funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' in prior acts making appropriations for foreign operations, export financing, and related programs, $10,000,000 are rescinded.

(c) MEXICO.—Of the unobligated balances of funds appropriated for ''Iraq Relief and Reconstruction Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $50,000,000 are rescinded, notwithstanding section 1402(g) of this Act.

(d) HORN OF AFRICA.—

(1) For an additional amount for ''Economic Support Fund'', $40,000,000 for programs to promote development and counter extremism in the Horn of Africa, to be administered by the United States Agency for International Development, and to remain available until September 30, 2009.

(2) Of the unobligated balances of funds appropriated for ''Iraq Relief and Reconstruction Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $40,000,000 are rescinded, notwithstanding section 1402(g) of this Act.

(e) EXCEPTION.—Section 8002 of title VIII of this Act shall not apply to subsections (a) and (b) of this section.

DARFUR PEACEKEEPING

SEC. 1411. Funds appropriated under the headings ''Foreign Military Financing Program'' and ''Peacekeeping Operations'' by the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161) and by prior Acts making appropriations for foreign operations, export financing, and related programs may be used to transfer or lease helicopters necessary to the operations of the African Union/United Nations peacekeeping operation in Darfur, Sudan, that was established pursuant to United Nations Security Council Resolution 1769. The President may utilize the authority of sections 506 or 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j) or section 61 of the Arms Export Control Act (22 U.S.C. 2796) in order to effect such transfer or lease, notwithstanding any other provision of law except for sections 502B(a)(2), 620A and 620J of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2), 2371, 2378d) and section 40A of the Arms Export Control Act (22 U.S.C. 2780). Any exercise of the authority of section 506 of the Foreign Assistance Act pursuant to this section may include the authority to acquire helicopters by contract.

FOOD SECURITY AND CYCLONE NARGIS RELIEF

(INCLUDING RESCISSION OF FUNDS)

SEC. 1412. (a) For an additional amount for ''International Disaster Assistance'', $225,000,000, to address the international food crisis globally and for assistance for Burma to address the effects of Cyclone Nargis: Provided, That not less than $125,000,000 should be made available for the local or regional purchase and distribution of food to address the international food crisis: Provided further, That notwithstanding any other provision of law, none of the funds appropriated under this heading may be made available for assistance for the State Peace and Development Council.

(b) Of the unexpended balances of funds appropriated under the heading ''Millennium Challenge Corporation'' in prior Acts making appropriations for foreign operations, export financing and related programs, $225,000,000 are rescinded.

(c) Section 8002 of title VIII of this Act shall not apply to this section.

JORDAN

(INCLUDING RESCISSION OF FUNDS)

SEC. 1413. (a) For an additional amount for ''Economic Support Fund'' for assistance for Jordan, $100,000,000, to remain available until September 30, 2009.

(b) For an additional amount for ''Foreign Military Financing Program'' for assistance for Jordan, $200,000,000, to remain available until September 30, 2009.

(c) Of the unexpended balances of funds appropriated under the heading ''Millennium Challenge Corporation'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $300,000,000 are rescinded.

(d) Section 8002 of title VIII of this Act shall not apply to this section.

ALLOCATIONS

SEC. 1414. (a) Funds provided by this chapter for the following accounts shall be made available for programs and countries in the amounts contained in the respective tables included in the explanatory statement accompanying this Act:

''Diplomatic and Consular Programs''.

''Economic Support Fund''.

(b) Any proposed increases or decreases to the amounts contained in such tables in the statement accompanying this Act shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

REPROGRAMMING AUTHORITY

SEC. 1415. Notwithstanding any other provision of law, to include minimum funding requirements or funding directives, funds made available under the headings ''Development Assistance'' and ''Economic Support Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs may be made available to address critical food shortages, subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

SPENDING PLANS AND NOTIFICATION PROCEDURES

SEC. 1416. (a) SUBCHAPTER A SPENDING PLAN.—Not later than 45 days after the enactment of this Act the Secretary of State shall submit to the Committees on Appropriations a report detailing planned expenditures for funds appropriated under the headings in subchapter A, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(b) SUBCHAPTER B SPENDING PLAN.—The Secretary of State shall submit to the Committees on Appropriations not later than November 1, 2008, and prior to the initial obligation of funds, a detailed spending plan for funds appropriated or otherwise made available in subchapter B, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(c) NOTIFICATION.—Funds made available in this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

TERMS AND CONDITIONS

SEC. 1417. Unless otherwise provided for in this Act, funds appropriated, or otherwise made available, by this chapter shall be available under the authorities and conditions provided in the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161).

TITLE II

DOMESTIC MATTERS

CHAPTER 1

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for salaries and expenses of the Food and Drug Administration, $265,000,000, to remain available until September 30, 2009: Provided, That of the amount provided: (1) $119,000,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $48,500,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $23,500,000 shall be for the Center for Biologics Evaluation and Research and related field activities in the Office of Regulatory Affairs; (4) $10,700,000 shall be for the Center for Veterinary Medicine and related field activities in the Office of Regulatory Affairs; (5) $35,500,000 shall be for the Center for Devices and Radiological Health and related field activities in the Office of Regulatory Affairs; (6) $6,000,000 shall be for the National Center for Toxicological Research; and (7) $21,800,000 shall be for other activities, including the Office of the Commissioner, the Office of Scientific and Medical Programs; the Office of Policy, Planning and Preparedness; the Office of International and Special Programs; the Office of Operations; and central services for these offices.

BUILDINGS AND FACILITIES

For an additional amount for plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $10,000,000, to remain available until expended.

CHAPTER 2

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

For an additional amount for ''Periodic Censuses and Programs'', $210,000,000, to remain available until expended, for necessary expenses related to the 2010 Decennial Census: Provided, That not less than $3,000,000 shall be transferred to the ''Office of Inspector General'' at the Department of Commerce for necessary expenses associated with oversight activities of the

2010 Decennial Census: Provided further, That $1,000,000 shall be used only for a reimbursable agreement with the Defense Contract Management Agency to provide continuing contract management oversight of the 2010 Decennial Census.

DEPARTMENT OF JUSTICE

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $50,000,000 for the United States Marshals Service to implement and enforce the Adam Walsh Child Protection and Safety Act (Public Law 109–248) to track down and arrest non-compliant sex offenders.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $178,000,000, to remain available until September 30, 2008.

OFFICE OF JUSTICE PROGRAMS

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For an additional amount for the Edward Byrne Memorial Justice Assistance Grant program as authorized by subpart 1 of part E of title I of Omnibus Crime Control and Safe Street Act of 1968 (''1968 Act''), (except that section 1001(c), and the special rules for Puerto Rico under section 505(g), of the 1968 Act, shall not apply for purposes of this Act), $490,000,000, to remain available until September 30, 2008.

For an additional amount for ''State and Local Law Enforcement Assistance'', $100,000,000 for competitive grants to provide assistance and equipment to local law enforcement along the Southern border and in High-Intensity Drug Trafficking Areas to combat criminal narcotic activity stemming from the Southern border, of which $10,000,000 shall be for the ATF Project Gunrunner.

SCIENCE

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RETURN TO FLIGHT

For necessary expenses, not otherwise provided for, in carrying out return to flight activities associated with the space shuttle and activities from which funds were transferred to accommodate return to flight activities, $200,000,000.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For additional expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), $150,000,000.

EDUCATION AND HUMAN RESOURCES

For additional expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), $50,000,000.

CHAPTER 3

DEPARTMENT OF ENERGY

NON-DEFENSE ENVIRONMENTAL CLEANUP

For an additional amount for ''Non-Defense Environmental Cleanup'', $5,000,000, to remain available until expended.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For an additional amount for ''Uranium Enrichment Decontamination and Decommissioning Fund'', $52,000,000, to remain available until expended.

SCIENCE

For an additional amount for ''Science'', $100,000,000, to remain available until expended.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL CLEANUP

For an additional amount for ''Defense Environmental Cleanup'', $243,000,000, to remain available until expended.

GENERAL PROVISION—THIS CHAPTER

SEC. 2301. INCENTIVES FOR ADDITIONAL DOWNBLENDING OF HIGHLY ENRICHED URANIUM BY THE RUSSIAN FEDERATION. The USEC Privatization Act (42 U.S.C. 2297h et seq.) is amended—

(1) in section 3102, by striking ''For purposes'' and inserting ''Except as provided in section 3112A, for purposes'';

(2) in section 3112(a), by striking ''The Secretary'' and inserting ''Except as provided in section 3112A(d), the Secretary''; and

(3) by inserting after section 3112 the following:

''SEC. 3112A. INCENTIVES FOR ADDITIONAL DOWNBLENDING OF HIGHLY ENRICHED URANIUM BY THE RUSSIAN FEDERATION.

''(a) DEFINITIONS.—In this section:

''(1) COMPLETION OF THE RUSSIAN HEU AGREEMENT.—The term 'completion of the Russian HEU Agreement' means the importation into the United States from the Russian Federation pursuant to the Russian HEU Agreement of uranium derived from the downblending of not less than 500 metric tons of highly enriched uranium of weapons origin.

''(2) DOWNBLENDING.—The term 'downblending' means processing highly enriched uranium into a uranium product in any form in which the uranium contains less than 20 percent uranium-235.

''(3) HIGHLY ENRICHED URANIUM.—The term 'highly enriched uranium' has the meaning given that term in section 3102(4).

''(4) HIGHLY ENRICHED URANIUM OF WEAPONS ORIGIN.—The term 'highly enriched uranium of weapons origin' means highly enriched uranium that—

''(A) contains 90 percent or more uranium-235; and

''(B) is verified by the Secretary of Energy to be of weapons origin.

''(5) LOW-ENRICHED URANIUM.—The term 'low-enriched uranium' means a uranium product in any form, including uranium hexafluoride (UF_6) and uranium oxide (UO_2), in which the uranium contains less than 20 percent uranium-235, without regard to whether the uranium is incorporated into fuel rods or complete fuel assemblies.

''(6) RUSSIAN HEU AGREEMENT.—The term 'Russian HEU Agreement' has the meaning given that term in section 3102(11).

''(7) URANIUM-235.—The term 'uranium-235' means the isotope ^{235}U.

''(b) STATEMENT OF POLICY.—It is the policy of the United States to support the continued downblending of highly enriched uranium of weapons origin in the Russian Federation in order to protect the essential security interests of the United States with respect to the nonproliferation of nuclear weapons.

''(c) PROMOTION OF DOWNBLENDING OF RUSSIAN HIGHLY ENRICHED URANIUM.—

''(1) INCENTIVES FOR THE COMPLETION OF THE RUSSIAN HEU AGREEMENT.—Prior to the completion of the Russian HEU Agreement, the importation into the United States of low-enriched uranium, including low-enriched uranium obtained under contracts for separative work units, that is produced in the Russian Federation and is not imported pursuant to the Russian HEU Agreement may not exceed the following amounts:

''(A) In each of the calendar years 2008 and 2009, not more than 22,500 kilograms.

''(B) In each of the calendar years 2010 and 2011, not more than 45,000 kilograms.

''(C) In calendar year 2012 and each calendar year thereafter through the calendar year of the completion of the Russian HEU Agreement, not more than 67,500 kilograms.

''(2) INCENTIVES TO CONTINUE DOWNBLENDING RUSSIAN HIGHLY ENRICHED URANIUM AFTER THE COMPLETION OF THE RUSSIAN HEU AGREEMENT.—

''(A) IN GENERAL.—In each calendar year beginning after the calendar year of the completion of the Russian HEU Agreement and before the termination date described in paragraph (8), the importation into the United States of low-enriched uranium, including low-enriched uranium obtained under contracts for separative work units, that is produced in the Russian Federation, whether or not such low-enriched uranium is derived from highly enriched uranium of weapons origin, may not exceed 400,000 kilograms.

''(B) ADDITIONAL IMPORTS.—

''(i) IN GENERAL.—In addition to the amount authorized to be imported under subparagraph (A) and except as provided in clause (ii), 20 kilograms of low-enriched uranium, whether or not such low-enriched uranium is derived from highly enriched uranium of weapons origin, may be imported for every 3 kilograms of Russian highly enriched uranium of weapons origin that was downblended in the preceding calendar year, subject to the verification of the Secretary of Energy under paragraph (10).

''(ii) MAXIMUM ANNUAL IMPORTS.—Not more than 200,000 kilograms of low-enriched uranium may be imported in a calendar year under clause (i).

''(3) EXCEPTION WITH RESPECT TO INITIAL CORES.—The import limitations described in paragraphs (1) and (2) shall not apply to low-enriched uranium produced in the Russian Federation that is imported into the United States for use in the initial core of a new nuclear reactor.

''(4) ANNUAL ADJUSTMENT.—

''(A) IN GENERAL.—Beginning in the second calendar year after the calendar year of the completion of the Russian HEU Agreement, the Secretary of Energy shall increase or decrease the amount of low-enriched uranium that may be imported in a calendar year under paragraph (2) (including the amount of low-enriched uranium that may be imported for each kilogram of highly enriched uranium downblended under paragraph (2)(B)(i)) by a percentage equal to the percentage increase or decrease, as the case may be, in the average amount of uranium loaded into nuclear power reactors in the United States in the most recent 3-calendar-year period for which data are available, as reported by the Energy Information Administration of the Department of Energy, compared to the average amount of uranium loaded into such reactors during the 3-calendar-year period beginning on January 1, 2011, as reported by the Energy Information Administration.

''(B) PUBLICATION OF ADJUSTMENTS.—As soon as practicable, but not later than July 31 of each calendar year, the Secretary of Energy shall publish in the Federal Register the amount of low-enriched uranium that may be imported in the current calendar year after the adjustment under subparagraph (A).

''(5) AUTHORITY FOR ADDITIONAL ADJUSTMENT.—In addition to the annual adjustment under paragraph (4), the Secretary of Commerce may adjust the import limitations under paragraph (2)(A) for a calendar year if the Secretary—

''(A) in consultation with the Secretary of Energy, determines that the available supply of low-enriched uranium from the Russian Federation and the available stockpiles of uranium of the Department of Energy are insufficient to meet demand in the United States in the following calendar year; and

''(B) notifies Congress of the adjustment not less than 45 days before making the adjustment.

''(6) EQUIVALENT QUANTITIES OF LOW-ENRICHED URANIUM IMPORTS.—

''(A) IN GENERAL.—The import limitations described in paragraphs (1) and (2) are expressed in terms of uranium containing 4.4 percent uranium-235 and a tails assay of 0.3 percent.

''(B) ADJUSTMENT FOR OTHER URANIUM.—Imports of low-enriched uranium under paragraphs (1) and (2) shall count against the import limitations described in such paragraphs in amounts calculated as the quantity of low-enriched uranium containing 4.4 percent uranium-

235 necessary to equal the total amount of uranium-235 contained in such imports.

''(7) DOWNBLENDING OF OTHER HIGHLY ENRICHED URANIUM.—

''(A) IN GENERAL.—The downblending of highly enriched uranium not of weapons origin may be counted for purposes of paragraph (2)(B) or (8)(B), subject to verification under paragraph (10), if the Secretary of Energy determines that the highly enriched uranium to be downblended poses a risk to the national security of the United States.

''(B) EQUIVALENT QUANTITIES OF HIGHLY ENRICHED URANIUM.—For purposes of determining the additional low-enriched uranium imports allowed under paragraph (2)(B) and for purposes of paragraph (8)(B), highly enriched uranium not of weapons origin downblended pursuant to subparagraph (A) shall count as downblended highly enriched uranium of weapons origin in amounts calculated as the quantity of highly enriched uranium containing 90 percent uranium-235 necessary to equal the total amount of uranium-235 contained in the highly enriched uranium not of weapons origin downblended pursuant to subparagraph (A).

''(8) TERMINATION OF IMPORT RESTRICTIONS AFTER DOWNBLENDING OF AN ADDITIONAL 300 METRIC TONS OF HIGHLY ENRICHED URANIUM.—The provisions of this subsection shall terminate on the later of—

''(A) December 31, 2020; or

''(B) the date on which the Secretary of Energy certifies to Congress that, after the completion of the Russian HEU Agreement, not less than an additional 300 metric tons of Russian highly enriched uranium of weapons origin have been downblended.

''(9) SPECIAL RULE IF IMPORTATION UNDER RUSSIAN HEU AGREEMENT TERMINATES EARLY.—Notwithstanding any other provision of law, no low-enriched uranium produced in the Russian Federation that is not derived from highly enriched uranium of weapons origin, including low-enriched uranium obtained under contracts for separative work units, may be imported into the United States if, before the completion of the Russian HEU Agreement, the Secretary of Energy determines that the Russian Federation has taken deliberate action to disrupt or halt the importation into the United States of low-enriched uranium under the Russian HEU Agreement.

''(10) TECHNICAL VERIFICATIONS BY SECRETARY OF ENERGY.—

''(A) IN GENERAL.—The Secretary of Energy shall verify the origin, quantity, and uranium-235 content of the highly enriched uranium downblended for purposes of paragraphs (2)(B), (7), and (8)(B).

''(B) METHODS OF VERIFICATION.—In conducting the verification required under subparagraph (A), the Secretary of Energy shall employ the transparency measures provided for in the Russian HEU Agreement for monitoring the downblending of Russian highly enriched uranium of weapons origin and such other methods as the Secretary determines appropriate.

''(11) ENFORCEMENT OF IMPORT LIMITATIONS.—The Secretary of Commerce shall be responsible for enforcing the import limitations imposed under this subsection and shall enforce such import limitations in a manner that imposes a minimal burden on the commercial nuclear industry.

''(12) EFFECT ON OTHER AGREEMENTS.—

''(A) RUSSIAN HEU AGREEMENT.—Nothing in this section shall be construed to modify the terms of the Russian HEU Agreement, including the provisions of the Agreement relating to the amount of low-enriched uranium that may be imported into the United States.

''(B) OTHER AGREEMENTS.—If a provision of any agreement between the United States and the Russian Federation, other than the Russian HEU Agreement, relating to the importation of low-enriched uranium into the United States conflicts with a provision of this section, the provision of this section shall supersede the provision of the agreement to the extent of the conflict.

''(d) DOWNBLENDING OF HIGHLY ENRICHED URANIUM IN THE UNITED STATES.—The Secretary of Energy may sell uranium in the jurisdiction of the Secretary, including downblended highly enriched uranium, at fair market value to a licensed operator of a nuclear reactor in the United States—

''(1) in the event of a disruption in the nuclear fuel supply in the United States; or

''(2) after a determination of the Secretary under subsection (c)(9) that the Russian Federation has taken deliberate action to disrupt or halt the importation into the United States of low-enriched uranium under the Russian HEU Agreement.''.

CHAPTER 4

GENERAL PROVISION—THIS CHAPTER

SEC. 2401. VETERANS BUSINESS RESOURCE CENTERS. There are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2008, $600,000 for the ''Salaries and Expenses'' account of the Small Business Administration, for grants in the amount of $200,000 to veterans business resource centers that received grants from the National Veterans Business Development Corporation in fiscal years 2006 and 2007.

CHAPTER 5

GENERAL PROVISION—THIS CHAPTER

SEC. 2501. For fiscal year 2008, there is appropriated $400,000,000, to remain available until December 31, 2008, for payments described in sections 101, 102(b)(3), and 103(b)(2) of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106–393).

CHAPTER 6

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For an additional amount for ''State Unemployment Insurance and Employment Service Operations'' for grants to the States for the administration of State unemployment insurance, $110,000,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund, to be used for unemployment insurance workloads experienced by the States through September 30, 2008, which shall be available for Federal obligation through December 31, 2008.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

For an additional amount for ''Disease Control, Research, and Training'', $26,000,000, for the prevention of and response to medical errors including research, education and outreach activities; of which no less than $5,000,000 shall be for responding to outbreaks of communicable diseases related to the re-use of syringes in outpatient clinics, including reimbursement of local health departments for testing and genetic sequencing of persons potentially exposed.

NATIONAL INSTITUTES OF HEALTH

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of the Director, National Institutes of Health'', $400,000,000.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2601. In addition to amounts otherwise made available for fiscal year 2008, there are appropriated, out of any money in the Treasury not otherwise appropriated, $1,000,000,000 for fiscal year 2008, for making payments under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623).

SEC. 2602. REPORT ON THE IMPACT OF PAST AND FUTURE MINIMUM WAGE INCREASES. (a) IN GENERAL.—Section 8104 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28; 121 Stat. 189) is amended to read as follows:

"SEC. 8104. REPORT ON THE IMPACT OF PAST AND FUTURE MINIMUM WAGE INCREASES.

''(a) STUDY.—Beginning on the date that is 60 days after the date of enactment of this Act, and every year thereafter until the minimum wage in the respective territory is $7.25 per hour, the Government Accountability Office shall conduct a study to—

''(1) assess the impact of the minimum wage increases that occurred in American Samoa and the Commonwealth of the Northern Mariana Islands in 2007 and 2008, as required under Public Law 110–28, on the rates of employment and the living standards of workers, with full consideration of the other factors that impact rates of employment and the living standards of workers such as inflation in the cost of food, energy, and other commodities; and

''(2) estimate the impact of any further wage increases on rates of employment and the living standards of workers in American Samoa and the Commonwealth of the Northern Mariana Islands, with full consideration of the other factors that may impact the rates of employment and the living standards of workers, including assessing how the profitability of major private sector firms may be impacted by wage increases in comparison to other factors such as energy costs and the value of tax benefits.

''(b) REPORT.—No earlier than March 15, 2009, and not later than April 15, 2009, the Government Accountability Office shall transmit its first report to Congress concerning the findings of the study required under subsection (a). The Government Accountability Office shall transmit any subsequent reports to Congress concerning the findings of a study required by subsection (a) between March 15 and April 15 of each year.

''(c) ECONOMIC INFORMATION.—To provide sufficient economic data for the conduct of the study under subsection (a)—

''(1) the Department of Labor shall include and separately report on American Samoa and the Commonwealth of the Northern Mariana Islands in its household surveys and establishment surveys;

''(2) the Bureau of Economic Analysis of the Department of Commerce shall include and separately report on American Samoa and the Commonwealth of the Northern Mariana Islands in its gross domestic product data; and

''(3) the Bureau of the Census of the Department of Commerce shall include and separately report on American Samoa and the Commonwealth of the Northern Mariana Islands in its population estimates and demographic profiles from the American Community Survey,

with the same regularity and to the same extent as the Department or each Bureau collects and reports such data for the 50 States. In the event that the inclusion of American Samoa and the Commonwealth of the Northern Mariana Islands in such surveys and data compilations requires time to structure and implement, the Department of Labor, the Bureau of Economic Analysis, and the Bureau of the Census (as the case may be) shall in the interim annually report the best available data that can feasibly be secured with respect to such territories. Such interim reports shall describe the steps the Department or the respective Bureau will take to improve future data collection in the territories to achieve comparability with the data collected in the United States. The Department of Labor, the Bureau of Economic Analysis, and the Bureau of the Census, together with the Department of the Interior, shall coordinate their efforts to achieve such improvements.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

CHAPTER 7

RELATED AGENCY

AMERICAN BATTLE MONUMENTS COMMISSION

FOREIGN CURRENCY FLUCTUATIONS ACCOUNT

For an additional amount for ''Foreign Currency Fluctuations Account'', $10,000,000, to remain available until expended, for purposes authorized by section 2109 of title 36, United States Code.

TITLE III

HURRICANES KATRINA AND RITA, AND OTHER NATURAL DISASTERS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

For the purposes of carrying out the Emergency Conservation Program, there is hereby appropriated $49,413,000, to remain available until expended.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for ''Watershed and Flood Prevention Operations'', for emergency recovery operations, $130,464,000, to remain available until expended.

GENERAL PROVISION—THIS CHAPTER

(INCLUDING RESCISSION)

SEC. 3101. Of the funds made available in the second paragraph under the heading ''Rural Utilities Service, Rural Electrification and Telecommunications Loans Program Account'' in chapter 1 of division B of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109–148; 119 Stat. 2746), the Secretary may use an amount not to exceed $1,000,000 of remaining unobligated funds for the cost of loan modifications to rural electric loans made or guaranteed under the Rural Electrification Act of 1936, to respond to damage caused by any weather related events since Hurricane Katrina, to remain available until expended: Provided, That $1,000,000 of the remaining unobligated funds under such paragraph are rescinded.

CHAPTER 2

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for economic development assistance as provided by section 3082(a) of the Water Resources Development Act of 2007 (Public Law 110–114), $75,000,000.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for ''Operations, Research, and Facilities'' for necessary expenses related to economic impacts associated with commercial fishery failures, fishery resource disasters, and regulations on commercial fishing industries, $75,000,000.

DEPARTMENT OF JUSTICE

OFFICE OF JUSTICE PROGRAMS

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For an additional amount for ''State and Local Law Enforcement Assistance'', for discretionary grants authorized by subpart 2 of part E, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 as in effect on September 30, 2006, $75,000,000: Provided, That the amount made available under this heading shall be for local law enforcement initiatives in the Gulf Coast region related to the aftermath of Hurricane Katrina.

CHAPTER 3

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION

For an additional amount for ''Construction'' for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, and for recovery from other natural disasters $5,033,345,000, to remain available until expended: Provided, That the Secretary of the Army is directed to use $4,362,000,000 of the funds appropriated under this heading to modify authorized projects in southeast Louisiana to provide hurricane and storm damage reduction and flood damage reduction in the greater New Orleans and surrounding areas to provide the levels of protection necessary to achieve the certification required for participation in the National Flood Insurance Program under the base flood elevations current at the time of this construction; $1,657,000,000 shall be used for the Lake Pontchartrain and Vicinity; $1,415,000,000 shall be used for the West Bank and Vicinity project; and $1,290,000,000 shall be for elements of the Southeast Louisiana Urban Drainage project, that are within the geographic perimeter of the West Bank and Vicinity and Lake Pontchartrain and Vicinity projects to provide for interior drainage of runoff from rainfall with a 10 percent annual exceedance probability: Provided further, That none of this $4,362,000,000 shall become available for obligation until October 1, 2008: Provided further, That non-Federal cost allocations for these projects shall be consistent with the cost-sharing provisions under which the projects were originally constructed: Provided further, That the $1,315,000,000 non-Federal cost share for these projects shall be repaid in accordance with provisions of section 103(k) of Public Law 99–662 over a period of 30 years: Provided further, That the expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that are necessary to accomplish the established goals are authorized, subject to the approval of the House and Senate Committees on Appropriations: Provided further, That the Secretary of the Army is directed to use $604,745,000 of the funds appropriated under this heading to provide hurricane and storm damage reduction, flood damage reduction and ecosystem restoration along the Gulf Coast of Mississippi and surrounding areas generally as described in the Mobile District Engineer's Mississippi Coastal Improvements Program Comprehensive Plan Report; $173,615,000 shall be used for ecosystem restoration projects; $4,550,000 shall be used for the Moss Point Municipal Relocation project; $5,000,000 shall be used for the Waveland Floodproofing project; $150,000 shall be used for the Mississippi Sound Sub Aquatic Vegetation project; $15,430,000 shall be used for the Coast-wide Dune Restoration project; $397,000,000 shall be used for the Homeowners Assistance and Relocation project; and $9,000,000 shall be used for the Forrest Heights Hurricane and Storm Damage Reduction project: Provided further, That none of this $604,745,000 shall become available for obligation until October 1, 2008: Provided further, That these projects shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of the project and to hold and save the United States free from damages due to the construction or operation and maintenance of the project, except for damages due to the fault or negligence of the United States or its contractors: Provided further, That the $211,661,000 non-Federal cost share for these projects shall be repaid in accordance with the provisions of section 103(k) of Public Law 99–662 over a period of 30 years: Provided further, That the expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that are necessary to accomplish the established goals are authorized, subject to the approval of the House and Senate Committees on Appropriations: Provided further, That the Secretary of the Army is directed to use $66,600,000 of the funds appropriated under this heading to address emergency situations at Corps of Engineers projects and rehabilitate and repair damages to Corps projects caused by recent natural disasters: Provided further, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

MISSISSIPPI RIVER AND TRIBUTARIES

For an additional amount for ''Mississippi River and Tributaries'' for recovery from natural disasters, $17,700,000, to remain available until expended to repair damages to Federal projects caused by recent natural disasters.

OPERATIONS AND MAINTENANCE

For an additional amount for ''Operations and Maintenance'' to dredge navigation channels and repair other Corps projects related to natural disasters, $338,800,000, to remain available until expended: Provided, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for ''Flood Control and Coastal Emergencies'', as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), for necessary expenses relating to the consequences of Hurricane Katrina and other hurricanes, and for recovery from other natural disasters, $3,368,400,000, to remain available until expended: Provided, That the Secretary of the Army is directed to use $2,926,000,000 of the funds appropriated under this heading to modify, at full Federal expense, authorized projects in southeast Louisiana to provide hurricane and storm damage reduction and flood damage reduction in the greater New Orleans and surrounding areas; $704,000,000 shall be used to modify the 17th Street, Orleans Avenue, and London Avenue drainage canals and install pumps and closure structures at or near the lakefront; $90,000,000 shall be used for stormproofing interior pump stations to ensure the operability of the stations during hurricanes, storms, and high water events; $459,000,000 shall be used for armoring critical elements of the New Orleans hurricane and storm damage reduction system; $53,000,000 shall be used to improve protection at the Inner Harbor Navigation Canal; $456,000,000 shall be used to replace or modify certain non-Federal levees in Plaquemines Parish to incorporate the levees into the existing New Orleans to Venice hurricane protection project; $412,000,000 shall be used for reinforcing or replacing flood walls, as necessary, in the existing Lake Pontchartrain and Vicinity project and the existing West Bank and Vicinity project to improve the performance of the systems; $393,000,000 shall be used for repair and restoration of authorized protections and floodwalls; $359,000,000 shall be to complete the authorized protection for the Lake Ponchartrain and Vicinity Project and for the West Bank and Vicinity Project: Provided further, That none of this $2,926,000,000 shall become available for obligation until October 1, 2008: Provided further, That any project using funds appropriated under this heading shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of the project and to hold and save the United States free from damages due to the construction or operation and maintenance of the project, except for damages due to the fault or negligence of the United States or its contractors: Provided

further, That the Secretary of the Army, within available funds, is directed to continue the NEPA alternative evaluation of all options with particular attention to Options 1, 2 and 2a of the report to Congress, dated August 30, 2007, provided in response to the requirements of chapter 3, section 4303 of Public Law 110–28, and within 90 days of enactment of this Act provide the House and Senate Committees on Appropriations cost estimates to implement Options 1, 2 and 2a of the above cited report: Provided further, That the expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that are necessary to accomplish the established goals are authorized, subject to the approval of the House and Senate Committees on Appropriations: Provided further, That $348,000,000 of the amount provided under this heading shall be used for barrier island restoration and ecosystem restoration to restore historic levels of storm damage reduction to the Mississippi Gulf Coast: Provided further, That none of this $348,000,000 shall become available for obligation until October 1, 2008: Provided further, That this work shall be carried out at full Federal expense: Provided further, That the Secretary of the Army is directed to use $94,400,000 of the funds appropriated under this heading to support emergency operations, to repair eligible projects nationwide, and for other activities in response to recent natural disasters: Provided further, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

GENERAL EXPENSES

For an additional amount for ''General Expenses'' for increased efforts by the Mississippi Valley Division to oversee emergency response and recovery activities related to the consequences of hurricanes in the Gulf of Mexico in 2005, $1,500,000, to remain available until expended.

CHAPTER 4

GENERAL PROVISIONS—THIS CHAPTER

SEC. 3401. Notwithstanding any other provision of law, and not later than 30 days after the date of submission of a request for a single payment, the Federal Emergency Management Agency shall provide a single payment for any eligible costs under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act for any police station, fire station, or criminal justice facility that was damaged by Hurricane Katrina of 2005 or Hurricane Rita of 2005: Provided, That nothing in this section may be construed to alter the appeal or review process relating to assistance provided under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: Provided further, That the Federal Emergency Management Agency shall not reduce the amount of assistance provided under section 406(c)(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act for such facilities.

SEC. 3402. Until such time as the updating of flood insurance rate maps under section 19 of the Flood Modernization Act of 2007 is completed (as determined by the district engineer) for all areas located in the St. Louis District of the Mississippi Valley Division of the Corps of Engineers, the Administrator of the Federal Emergency Management Agency shall not adjust the chargeable premium rate for flood insurance under this section for any type or class of property located in an area in that District nor require the purchase of flood insurance for any type or class of property located in an area in that District not subject to such purchase requirement prior to the updating of such national flood insurance program rate map: Provided, That for purposes of this section, the term ''area'' does not include any area (or subdivision thereof) that has chosen not to participate in the flood insurance program under this section as of the date of enactment of this Act.

CHAPTER 5

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Wildland Fire Management'', $125,000,000, to remain available until expended, of which $100,000,000 is for emergency wildland fire suppression activities, and of which $25,000,000 is for rehabilitation and restoration of Federal lands: Provided, That emergency wildland fire suppression funds are also available for repayment to other appropriations accounts from which funds were transferred for wildfire suppression.

NATIONAL PARK SERVICE

HISTORIC PRESERVATION FUND

For an additional amount for the ''Historic Preservation Fund'', for expenses related to the consequences of Hurricane Katrina, $15,000,000, to remain available until expended: Provided, That the funds provided under this heading shall be provided to the Louisiana State Historic Preservation Officer, after consultation with the National Park Service, for grants for restoration and rehabilitation at Jackson Barracks: Provided further, That no more than 5 percent of funds provided under this heading for disaster relief grants may be used for administrative expenses.

ENVIRONMENTAL PROTECTION AGENCY

STATE AND TRIBAL ASSISTANCE GRANTS

For an additional amount for ''State and Tribal Assistance Grants'', for expenses related to the consequences of Hurricane Katrina, $5,000,000, to remain available until expended, for a grant to Cameron Parish, Louisiana, for construction of drinking water, wastewater and storm water infrastructure and for water quality protection: Provided, That for purposes of this grant, the grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for ''Wildland Fire Management'', $325,000,000, to remain available until expended, of which $250,000,000 shall be available for emergency wildfire suppression, and of which $75,000,000 shall be available for rehabilitation and restoration of Federal lands and may be transferred to other Forest Service accounts as necessary: Provided, That emergency wildfire suppression funds are also available for repayment to other appropriations accounts from which funds were transferred for wildfire suppression.

CHAPTER 6

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR MEDICARE AND MEDICAID SERVICES

For grants to States, consistent with section 6201(a)(4) of the Deficit Reduction Act of 2005, to make payments as defined by the Secretary in the methodology used for the Provider Stabilization grants to those Medicare participating general acute care hospitals, as defined in section 1886(d) of the Social Security Act, and currently operating in Jackson, Forrest, Hancock, and Harrison Counties of Mississippi and Orleans and Jefferson Parishes of Louisiana which continue to experience severe financial exigencies and other economic losses attributable to Hurricane Katrina or its subsequent flooding, and are in need of supplemental funding to relieve the financial pressures these hospitals face resulting from increased wage rates in hiring and retaining staff in order to stabilize access to patient care, $350,000,000, to be made available until September 30, 2010.

CHAPTER 7

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

(INCLUDING RESCISSION OF FUNDS)

For an additional amount for ''Military Construction, Army National Guard'', $11,503,000, to remain available until September 30, 2012: Provided, That such funds may be obligated or expended for planning and design and military construction projects not otherwise authorized by law: Provided further, That of the funds appropriated for ''Military Construction, Army National Guard'' under Public Law 109–234, $7,000,000 are hereby rescinded.

GENERAL PROVISION—THIS CHAPTER

SEC. 3701. Within the funds available in the Department of Defense Family Housing Improvement Fund as credited in accordance with 10 U.S.C. 2883(c), $10,500,000 shall be available for use at the Naval Construction Battalion Center, Gulfport, Mississippi, under the terms and conditions specified by 10 U.S.C. 2883, to remain available until expended.

CHAPTER 8

DEPARTMENT OF TRANSPORTATION

FEDERAL-AID HIGHWAYS

EMERGENCY RELIEF PROGRAM

For an additional amount for the Emergency Relief Program as authorized under section 125 of title 23, United States Code, for eligible disasters occurring in fiscal years 2005 to the present, $451,126,383, to remain available until expended.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PERMANENT SUPPORTIVE HOUSING

For the provision of permanent supportive housing units as identified in the plan of the Louisiana Recovery Authority and approved by the Secretary of Housing and Urban Development, $73,000,000 to remain available until expended, of which not less than $20,000,000 shall be for project-based vouchers under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)), not less than $50,000,000 shall be for grants under the Shelter Plus Care Program as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403 et seq.), and not more than $3,000,000 shall be for related administrative expenses of the State of Louisiana or its designee or designees: Provided, That the Secretary of Housing and Urban Development shall, upon request, make funds available under this paragraph to the State of Louisiana or its designee or designees: Provided further, That notwithstanding any other provision of law, for the purpose of administering the amounts provided under this paragraph, the State of Louisiana or its designee or designees may act in all respects as a public housing agency as defined in section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)): Provided further, That subparagraphs (B) and (D) of section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) shall not apply with respect to vouchers made available under this paragraph.

PROJECT-BASED RENTAL ASSISTANCE

For an additional amount to areas impacted by Hurricane Katrina in the State of Mississippi for project-based vouchers under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)13)), $20,000,000, to remain available until expended.

HOUSING TRANSITION ASSISTANCE

For an additional amount to the State of Louisiana for case management and housing transition services for families in areas impacted by Hurricanes Katrina and Rita of 2005, $3,000,000, to remain available until expended.

COMMUNITY DEVELOPMENT FUND

For an additional amount for the ''Community development fund'' for necessary expenses related to any uncompensated housing damage directly related to the consequences of Hurricane Katrina in the State of Alabama, $50,000,000, to remain available until expended: Provided, That prior to the obligation of funds the State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address uncompensated housing damage: Provided further, That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency: Provided further, That the State may use up to 5 percent of its allocation for administrative costs: Provided further, That in administering the funds under this paragraph, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute: Provided further, That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: Provided further, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver.

(RESCISSION)

Of the unobligated balances remaining from funds appropriated under this heading by section 159 of Public Law 110–116 for the Louisiana Road Home program, $200,000,000 are rescinded.

TITLE IV—VETERANS EDUCATIONAL ASSISTANCE

SEC. 4001. SHORT TITLE.

This title may be cited as the ''Post-9/11 Veterans Educational Assistance Act of 2008''.

SEC. 4002. FINDINGS.

Congress makes the following findings:

(1) On September 11, 2001, terrorists attacked the United States, and the brave members of the Armed Forces of the United States were called to the defense of the Nation.

(2) Service on active duty in the Armed Forces has been especially arduous for the members of the Armed Forces since September 11, 2001.

(3) The United States has a proud history of offering educational assistance to millions of veterans, as demonstrated by the many ''G.I. Bills'' enacted since World War II. Educational assistance for veterans helps reduce the costs of war, assist veterans in readjusting to civilian life after wartime service, and boost the United States economy, and has a positive effect on recruitment for the Armed Forces.

(4) The current educational assistance program for veterans is outmoded and designed for peacetime service in the Armed Forces.

(5) The people of the United States greatly value military service and recognize the difficult challenges involved in readjusting to civilian life after wartime service in the Armed Forces.

(6) It is in the national interest for the United States to provide veterans who serve on active duty in the Armed Forces after September 11, 2001, with enhanced educational assistance benefits that are worthy of such service and are commensurate with the educational assistance benefits provided by a grateful Nation to veterans of World War II.

SEC. 4003. EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE ARMED FORCES WHO SERVE AFTER SEPTEMBER 11, 2001.

(a) EDUCATIONAL ASSISTANCE AUTHORIZED.—

(1) IN GENERAL.—Part III of title 38, United States Code, is amended by inserting after chapter 32 the following new chapter:

"CHAPTER 33—POST–9/11 EDUCATIONAL ASSISTANCE

''SUBCHAPTER I—DEFINITIONS

''Sec.
''3301. Definitions.

''SUBCHAPTER II—EDUCATIONAL ASSISTANCE

''3311. Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement.
''3312. Educational assistance: duration.
''3313. Educational assistance: amount; payment.
''3314. Tutorial assistance.
''3315. Licensure and certification tests.
''3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service.
''3317. Public-private contributions for additional educational assistance.
''3318. Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education.

''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

''3321. Time limitation for use of and eligibility for entitlement.
''3322. Bar to duplication of educational assistance benefits.
''3323. Administration.
''3324. Allocation of administration and costs.

''SUBCHAPTER I—DEFINITIONS

"§3301. Definitions

''In this chapter:

''(1) The term 'active duty' has the meanings as follows (subject to the limitations specified in sections 3002(6) and 3311(b) of this title):

''(A) In the case of members of the regular components of the Armed Forces, the meaning given such term in section 101(21)(A) of this title.

''(B) In the case of members of the reserve components of the Armed Forces, service on active duty under a call or order to active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10.

''(2) The term 'entry level and skill training' means the following:

''(A) In the case of members of the Army, Basic Combat Training and Advanced Individual Training.

''(B) In the case of members of the Navy, Recruit Training (or Boot Camp) and Skill Training (or so-called 'A' School).

''(C) In the case of members of the Air Force, Basic Military Training and Technical Training.

''(D) In the case of members of the Marine Corps, Recruit Training and Marine Corps Training (or School of Infantry Training).

''(E) In the case of members of the Coast Guard, Basic Training.

''(3) The term 'program of education' has the meaning the meaning given such term in section 3002 of this title, except to the extent otherwise provided in section 3313 of this title.

''(4) The term 'Secretary of Defense' has the meaning given such term in section 3002 of this title.

''SUBCHAPTER II—EDUCATIONAL ASSISTANCE

"§3311. Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement

''(a) ENTITLEMENT.—Subject to subsections (d) and (e), each individual described in subsection (b) is entitled to educational assistance under this chapter.

''(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual as follows:

''(1) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 36 months on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty; or

''(ii) is discharged or released from active duty as described in subsection (c).

''(2) An individual who—

''(A) commencing on or after September 11, 2001, serves at least 30 continuous days on active duty in the Armed Forces; and

''(B) after completion of service described in subparagraph (A), is discharged or released from active duty in the Armed Forces for a service-connected disability.

''(3) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 30 months, but less than 36 months, on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 36 months; or

''(ii) before completion of service on active duty of an aggregate of 36 months, is discharged or released from active duty as described in subsection (c).

''(4) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 24 months, but less than 30 months, on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 30 months; or

''(ii) before completion of service on active duty of an aggregate of 30 months, is discharged or released from active duty as described in subsection (c).

''(5) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 18 months, but less than 24 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 24 months; or

''(ii) before completion of service on active duty of an aggregate of 24 months, is discharged or released from active duty as described in subsection (c).

''(6) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 12 months, but less than 18 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 18 months; or

''(ii) before completion of service on active duty of an aggregate of 18 months, is discharged or released from active duty as described in subsection (c).

''(7) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 6 months, but less than 12 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 12 months; or

''(ii) before completion of service on active duty of an aggregate of 12 months, is discharged or released from active duty as described in subsection (c).

''(8) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 90 days, but less than 6 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 6 months; or

''(ii) before completion of service on active duty of an aggregate of 6 months, is discharged or released from active duty as described in subsection (c).

''(c) COVERED DISCHARGES AND RELEASES.—A discharge or release from active duty of an individual described in this subsection is a discharge or release as follows:

''(1) A discharge from active duty in the Armed Forces with an honorable discharge.

''(2) A release after service on active duty in the Armed Forces characterized by the Secretary concerned as honorable service and placement on the retired list, transfer to the Fleet Reserve or Fleet Marine Corps Reserve, or placement on the temporary disability retired list.

''(3) A release from active duty in the Armed Forces for further service in a reserve component of the Armed Forces after service on active duty characterized by the Secretary concerned as honorable service.

''(4) A discharge or release from active duty in the Armed Forces for—

''(A) a medical condition which preexisted the service of the individual as described in the applicable paragraph of subsection (b) and which the Secretary determines is not service-connected;

''(B) hardship; or

''(C) a physical or mental condition that was not characterized as a disability and did not result from the individual's own willful misconduct but did interfere with the individual's performance of duty, as determined by the Secretary concerned in accordance with regulations prescribed by the Secretary of Defense.

''(d) PROHIBITION ON TREATMENT OF CERTAIN SERVICE AS PERIOD OF ACTIVE DUTY.—The following periods of service shall not be considered a part of the period of active duty on which an individual's entitlement to educational assistance under this chapter is based:

''(1) A period of service on active duty of an officer pursuant to an agreement under section 2107(b) of title 10.

''(2) A period of service on active duty of an officer pursuant to an agreement under section 4348, 6959, or 9348 of title 10.

''(3) A period of service that is terminated because of a defective enlistment and induction based on—

''(A) the individual's being a minor for purposes of service in the Armed Forces;

''(B) an erroneous enlistment or induction; or

''(C) a defective enlistment agreement.

''(e) TREATMENT OF INDIVIDUALS ENTITLED UNDER MULTIPLE PROVISIONS.—In the event an individual entitled to educational assistance under this chapter is entitled by reason of both paragraphs (4) and (5) of subsection (b), the individual shall be treated as being entitled to educational assistance under this chapter by reason of paragraph (5) of such subsection.

''§ 3312. Educational assistance: duration

''(a) IN GENERAL.—Subject to section 3695 of this title and except as provided in subsections (b) and (c), an individual entitled to educational assistance under this chapter is entitled to a number of months of educational assistance under section 3313 of this title equal to 36 months.

''(b) CONTINUING RECEIPT.—The receipt of educational assistance under section 3313 of this title by an individual entitled to educational assistance under this chapter is subject to the provisions of section 3321(b)(2) of this title.

''(c) DISCONTINUATION OF EDUCATION FOR ACTIVE DUTY.—(1) Any payment of educational assistance described in paragraph (2) shall not—

''(A) be charged against any entitlement to educational assistance of the individual concerned under this chapter; or

''(B) be counted against the aggregate period for which section 3695 of this title limits the individual's receipt of educational assistance under this chapter.

''(2) Subject to paragraph (3), the payment of educational assistance described in this paragraph is the payment of such assistance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

''(A)(i) in the case of an individual not serving on active duty, had to discontinue such course pursuit as a result of being called or ordered to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10; or

''(ii) in the case of an individual serving on active duty, had to discontinue such course pursuit as a result of being ordered to a new duty location or assignment or to perform an increased amount of work; and

''(B) failed to receive credit or lost training time toward completion of the individual's approved education, professional, or vocational objective as a result of having to discontinue, as described in subparagraph (A), the individual's course pursuit.

''(3) The period for which, by reason of this subsection, educational assistance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the portion of the period of enrollment in the course or courses from which the individual failed to receive credit or with respect to which the individual lost training time, as determined under paragraph (2)(B).

''§ 3313. Educational assistance: amount; payment

''(a) PAYMENT.—The Secretary shall pay to each individual entitled to educational assistance under this chapter who is pursuing an approved program of education (other than a program covered by subsections (e) and (f)) the amounts specified in subsection (c) to meet the expenses of such individual's subsistence, tuition, fees, and other educational costs for pursuit of such program of education.

''(b) APPROVED PROGRAMS OF EDUCATION.—A program of education is an approved program of education for purposes of this chapter if the program of education is offered by an institution of higher learning (as that term is defined in section 3452(f) of this title) and is approved for purposes of chapter 30 of this title (including approval by the State approving agency concerned).

''(c) AMOUNT OF EDUCATIONAL ASSISTANCE.—The amounts payable under this subsection for pursuit of an approved program of education are amounts as follows:

''(1) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(1) or 3311(b)(2) of this title, amounts as follows:

''(A) An amount equal to the established charges for the program of education, except that the amount payable under this subparagraph may not exceed the maximum amount of established charges regularly charged in-State students for full-time pursuit of approved programs of education for undergraduates by the public institution of higher education offering approved programs of education for undergraduates in the State in which the individual is enrolled that has the highest rate of regularly-charged established charges for such programs of education among all public institutions of higher education in such State offering such programs of education.

''(B) A monthly stipend in an amount as follows:

''(i) For each month the individual pursues the program of education, other than a program of education offered through distance learning, a monthly housing stipend amount equal to the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher education at which the individual is enrolled.

''(ii) For the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

''(I) $1,000, multiplied by

''(II) the fraction which is the portion of a complete academic year under the program of education that such quarter, semester, or term constitutes.

''(2) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(3) of this title, amounts equal to 90 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(3) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(4) of this title, amounts equal to 80 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(4) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(5) of this title, amounts equal to 70 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(5) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(6) of this title, amounts equal to 60 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(6) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(7) of this title, amounts equal to 50 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(7) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(8) of this title, amounts equal to 40 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(d) FREQUENCY OF PAYMENT.—(1) Payment of the amounts payable under subsection (c)(1)(A), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for

pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(2) Payment of the amount payable under subsection (c)(1)(B), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made on a monthly basis.

''(3) The Secretary shall prescribe in regulations methods for determining the number of months (including fractions thereof) of entitlement of an individual to educational assistance this chapter that are chargeable under this chapter for an advance payment of amounts under paragraphs (1) and (2) for pursuit of a program of education on a quarter, semester, term, or other basis.

''(e) PROGRAMS OF EDUCATION PURSUED ON ACTIVE DUTY.—(1) Educational assistance is payable under this chapter for pursuit of an approved program of education while on active duty.

''(2) The amount of educational assistance payable under this chapter to an individual pursuing a program of education while on active duty is the lesser of—

''(A) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(B) the amount of the charges of the educational institution as elected by the individual in the manner specified in section 3014(b)(1) of this title.

''(3) Payment of the amount payable under paragraph (2) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at the rate of one month for each such month.

''(f) PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.—(1) Educational assistance is payable under this chapter for pursuit of an approved program of education on half-time basis or less.

''(2) The educational assistance payable under this chapter to an individual pursuing a program of education on half-time basis or less is the amounts as follows:

''(A) The amount equal to the lesser of—

''(i) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(ii) the maximum amount that would be payable to the individual for the program of education under paragraph (1)(A) of subsection (c), or under the provisions of paragraphs (2) through (7) of subsection (c) applicable to the individual, for the program of education if the individual were entitled to amounts for the program of education under subsection (c) rather than this subsection.

''(B) A stipend in an amount equal to the amount of the appropriately reduced amount of the lump sum amount for books, supplies, equipment, and other educational costs otherwise payable to the individual under subsection (c).

''(3) Payment of the amounts payable to an individual under paragraph (2) for pursuit of a program of education on half-time basis or less shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at a percentage of a month equal to—

''(A) the number of course hours borne by the individual in pursuit of the program of education involved, divided by

''(B) the number of course hours for full-time pursuit of such program of education.

''(g) PAYMENT OF ESTABLISHED CHARGES TO EDUCATIONAL INSTITUTIONS.—Amounts payable under subsections (c)(1)(A) (and of similar amounts payable under paragraphs (2) through (7) of subsection (c)), (e)(2) and (f)(2)(A) shall be paid directly to the educational institution concerned.

''(h) ESTABLISHED CHARGES DEFINED.—(1) In this section, the term 'established charges', in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay.

''(2) Established charges shall be determined for purposes of this subsection on the following basis:

''(A) In the case of an individual enrolled in a program of education offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the term, quarter, or semester.

''(B) In the case of an individual enrolled in a program of education not offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the entire program of education.

''§ 3314. Tutorial assistance

''(a) IN GENERAL.—Subject to subsection (b), an individual entitled to educational assistance under this chapter shall also be entitled to benefits provided an eligible veteran under section 3492 of this title.

''(b) CONDITIONS.—(1) The provision of benefits under subsection (a) shall be subject to the conditions applicable to an eligible veteran under section 3492 of this title.

''(2) In addition to the conditions specified in paragraph (1), benefits may not be provided to an individual under subsection (a) unless the professor or other individual teaching, leading, or giving the course for which such benefits are provided certifies that—

''(A) such benefits are essential to correct a deficiency of the individual in such course; and

''(B) such course is required as a part of, or is prerequisite or indispensable to the satisfactory pursuit of, an approved program of education.

''(c) AMOUNT.—(1) The amount of benefits described in subsection (a) that are payable under this section may not exceed $100 per month, for a maximum of 12 months, or until a maximum of $1,200 is utilized.

''(2) The amount provided an individual under this subsection is in addition to the amounts of educational assistance paid the individual under section 3313 of this title.

''(d) NO CHARGE AGAINST ENTITLEMENT.—Any benefits provided an individual under subsection (a) are in addition to any other educational assistance benefits provided the individual under this chapter.

''§ 3315. Licensure and certification tests

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to payment for one licensing or certification test described in section 3452(b) of this title.

''(b) LIMITATION ON AMOUNT.—The amount payable under subsection (a) for a licensing or certification test may not exceed the lesser of—

''(1) $2,000; or

''(2) the fee charged for the test.

''(c) NO CHARGE AGAINST ENTITLEMENT.—Any amount paid an individual under subsection (a) is in addition to any other educational assistance benefits provided the individual under this chapter.

''§ 3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service

''(a) INCREASED ASSISTANCE FOR MEMBERS WITH CRITICAL SKILLS OR SPECIALTY.—(1) In the case of an individual who has a skill or specialty designated by the Secretary concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, the Secretary concerned may increase the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c) of this title, or under paragraphs (2) through (7) of such section (as applicable).

''(2) The amount of the increase in educational assistance authorized by paragraph (1) may not exceed the amount equal to the monthly amount of increased basic educational assistance providable under section 3015(d)(1) of this title at the time of the increase under paragraph (1).

''(b) SUPPLEMENTAL ASSISTANCE FOR ADDITIONAL SERVICE.—(1) The Secretary concerned may provide for the payment to an individual entitled to educational assistance under this chapter of supplemental educational assistance for additional service authorized by subchapter III of chapter 30 of this title. The amount so payable shall be payable as an increase in the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c) of this title, or under paragraphs (2) through (7) of such section (as applicable).

''(2) Eligibility for supplement educational assistance under this subsection shall be determined in accordance with the provisions of subchapter III of chapter 30 of this title, except that any reference in such provisions to eligibility for basic educational assistance under a provision of subchapter II of chapter 30 of this title shall be treated as a reference to eligibility for educational assistance under the appropriate provision of this chapter.

''(3) The amount of supplemental educational assistance payable under this subsection shall be the amount equal to the monthly amount of supplemental educational payable under section 3022 of this title.

''(c) REGULATIONS.—The Secretaries concerned shall administer this section in accordance with such regulations as the Secretary of Defense shall prescribe.

''§ 3317. Public-private contributions for additional educational assistance

''(a) ESTABLISHMENT OF PROGRAM.—In instances where the educational assistance provided pursuant to section 3313(c)(1)(A) does not cover the full cost of established charges (as specified in section 3313 of this title), the Secretary shall carry out a program under which colleges and universities can, voluntarily, enter into an agreement with the Secretary to cover a portion of those established charges not otherwise covered under section 3313(c)(1)(A), which contributions shall be matched by equivalent contributions toward such costs by the Secretary. The program shall only apply to covered individuals described in paragraphs (1) and (2) of section 3311(b).

''(b) DESIGNATION OF PROGRAM.—The program under this section shall be known as the 'Yellow Ribbon G.I. Education Enhancement Program'.

''(c) AGREEMENTS.—The Secretary shall enter into an agreement with each college or university seeking to participate in the program under this section. Each agreement shall specify the following:

''(1) The manner (whether by direct grant, scholarship, or otherwise) of the contributions to be made by the college or university concerned.

''(2) The maximum amount of the contribution to be made by the college or university concerned with respect to any particular individual in any given academic year.

''(3) The maximum number of individuals for whom the college or university concerned will make contributions in any given academic year.

''(4) Such other matters as the Secretary and the college or university concerned jointly consider appropriate.

''(d) MATCHING CONTRIBUTIONS.—(1) In instances where the educational assistance provided an individual under section 3313(c)(1)(A) of this title does not cover the full cost of tuition and mandatory fees at a college or university, the Secretary shall provide up to 50 percent of the remaining costs for tuition and mandatory fees if the college or university voluntarily enters into an agreement with the Secretary to match an equal percentage of any of the remaining costs for such tuition and fees.

''(2) Amounts available to the Secretary under section 3324(b) of this title for payment of the costs of this chapter shall be available to the Secretary for purposes of paragraph (1).

''(e) OUTREACH.—The Secretary shall make available on the Internet website of the Department available to the public a current list of the colleges and universities participating in the program under this section. The list shall specify, for each college or university so listed, appropriate information on the agreement between the Secretary and such college or university under subsection (c).

''§ 3318. Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education

''(a) ADDITIONAL ASSISTANCE.—Each individual described in subsection (b) shall be paid additional assistance under this section in the amount of $500.

''(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual entitled to educational assistance under this chapter—

''(1) who resides in a highly rural area (as determined by the Bureau of the Census); and

''(2) who—

''(A) physically relocates a distance of at least 500 miles in order to pursue a program of education for which the individual utilizes educational assistance under this chapter; or

''(B) travels by air to physically attend an institution of higher education for pursuit of such a program of education because the individual cannot travel to such institution by automobile or other established form of transportation due to an absence of road or other infrastructure.

''(c) PROOF OF RESIDENCE.—For purposes of subsection (b)(1), an individual may demonstrate the individual's place of residence utilizing any of the following:

''(1) DD Form 214, Certification of Release or Discharge from Active Duty.

''(2) The most recent Federal income tax return.

''(3) Such other evidence as the Secretary shall prescribe for purposes of this section.

''(d) SINGLE PAYMENT OF ASSISTANCE.—An individual is entitled to only one payment of additional assistance under this section.

''(e) NO CHARGE AGAINST ENTITLEMENT.—Any amount paid an individual under this section is in addition to any other educational assistance benefits provided the individual under this chapter.''.

''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

''§ 3321. Time limitation for use of and eligibility for entitlement

''(a) IN GENERAL.—Except as provided in this section, the period during which an individual entitled to educational assistance under this chapter may use such individual's entitlement expires at the end of the 15-year period beginning on the date of such individual's last discharge or release from active duty.

''(b) EXCEPTIONS.—(1) Subsections (b), (c), and (d) of section 3031 of this title shall apply with respect to the running of the 15-year period described in subsection (a) of this section in the same manner as such subsections apply under section 3031 of this title with respect to the running of the 10-year period described in section 3031(a) of this title.

''(2) Section 3031(f) of this title shall apply with respect to the termination of an individual's entitlement to educational assistance under this chapter in the same manner as such section applies to the termination of an individual's entitlement to educational assistance under chapter 30 of this title, except that, in the administration of such section for purposes of this chapter, the reference to section 3013 of this title shall be deemed to be a reference to 3312 of this title.

''(3) For purposes of subsection (a), an individual's last discharge or release from active duty shall not include any discharge or release from a period of active duty of less than 90 days of continuous service, unless the individual is discharged or released as described in section 3311(b)(2) of this title.

''§ 3322. Bar to duplication of educational assistance benefits

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter who is also eligible for educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980 (Public Law 96–449; 5 U.S.C. 5561 note) may not receive assistance under two or more such programs concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which chapter or provisions to receive educational assistance.

''(b) INAPPLICABILITY OF SERVICE TREATED UNDER EDUCATIONAL LOAN REPAYMENT PROGRAMS.—A period of service counted for purposes of repayment of an education loan under chapter 109 of title 10 may not be counted as a period of service for entitlement to educational assistance under this chapter.

''(c) SERVICE IN SELECTED RESERVE.—An individual who serves in the Selected Reserve may receive credit for such service under only one of this chapter, chapter 30 of this title, and chapters 1606 and 1607 of title 10, and shall elect (in such form and manner as the Secretary may prescribe) under which chapter such service is to be credited.

''(d) ADDITIONAL COORDINATION MATTERS.—In the case of an individual entitled to educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980, or making contributions toward entitlement to educational assistance under chapter 30 of this title, as of August 1, 2009, coordination of entitlement to educational assistance under this chapter, on the one hand, and such chapters or provisions, on the other, shall be governed by the provisions of section ____03(c) of the Post-9/11 Veterans Educational Assistance Act of 2008.

''§ 3323. Administration

''(a) IN GENERAL.—(1) Except as otherwise provided in this chapter, the provisions specified in section 3034(a)(1) of this title shall apply to the provision of educational assistance under this chapter.

''(2) In applying the provisions referred to in paragraph (1) to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such provisions to the term 'eligible veteran' shall be deemed to refer to an individual entitled to educational assistance under this chapter.

''(3) In applying section 3474 of this title to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such section 3474 to the term 'educational assistance allowance' shall be deemed to refer to educational assistance payable under section 3313 of this title.

''(4) In applying section 3482(g) of this title to an individual entitled to educational assistance under this chapter for purposes of this section—

''(A) the first reference to the term 'educational assistance allowance' in such section 3482(g) shall be deemed to refer to educational assistance payable under section 3313 of this title; and

''(B) the first sentence of paragraph (1) of such section 3482(g) shall be applied as if such sentence ended with 'equipment'.

''(b) INFORMATION ON BENEFITS.—(1) The Secretary of Veterans Affairs shall provide the information described in paragraph (2) to each member of the Armed Forces at such times as the Secretary of Veterans Affairs and the Secretary of Defense shall jointly prescribe in regulations.

''(2) The information described in this paragraph is information on benefits, limitations, procedures, eligibility requirements (including time-in-service requirements), and other important aspects of educational assistance under this chapter, including application forms for such assistance under section 5102 of this title.

''(3) The Secretary of Veterans Affairs shall furnish the information and forms described in paragraph (2), and other educational materials on educational assistance under this chapter, to educational institutions, training establishments, military education personnel, and such other persons and entities as the Secretary considers appropriate.

''(c) REGULATIONS.—(1) The Secretary shall prescribe regulations for the administration of this chapter.

''(2) Any regulations prescribed by the Secretary of Defense for purposes of this chapter shall apply uniformly across the Armed Forces.

''§ 3324. Allocation of administration and costs

''(a) ADMINISTRATION.—Except as otherwise provided in this chapter, the Secretary shall administer the provision of educational assistance under this chapter.

''(b) COSTS.—Payments for entitlement to educational assistance earned under this chapter shall be made from funds appropriated to, or otherwise made available to, the Department of Veterans Affairs for the payment of readjustment benefits.''.

(2) CLERICAL AMENDMENTS.—The tables of chapters at the beginning of title 38, United States Code, and at the beginning of part III of such title, are each amended by inserting after the item relating to chapter 32 the following new item:

''33. Post-9/11 Educational Assistance 3301''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS RELATING TO DUPLICATION OF BENEFITS.—

(A) Section 3033 of title 38, United States Code, is amended—

(i) in subsection (a)(1), by inserting ''33,'' after ''32,''; and

(ii) in subsection (c), by striking ''both the program established by this chapter and the program established by chapter 106 of title 10'' and inserting ''two or more of the programs established by this chapter, chapter 33 of this title, and chapters 1606 and 1607 of title 10''.

(B) Paragraph (4) of section 3695(a) of such title is amended to read as follows:

''(4) Chapters 30, 32, 33, 34, 35, and 36 of this title.''.

(C) Section 16163(e) of title 10, United States Code, is amended by inserting ''33,'' after ''32,''.

(2) ADDITIONAL CONFORMING AMENDMENTS.—

(A) Title 38, United States Code, is further amended by inserting ''33,'' after ''32,'' each place it appears in the following provisions:

(i) In subsections (b) and (e)(1) of section 3485.

(ii) In section 3688(b).

(iii) In subsections (a)(1), (c)(1), (c)(1)(G), (d), and (e)(2) of section 3689.

(iv) In section 3690(b)(3)(A).

(v) In subsections (a) and (b) of section 3692.

(vi) In section 3697(a).

(B) Section 3697A(b)(1) of such title is amended by striking ''or 32'' and inserting ''32, or 33''.

(c) APPLICABILITY TO INDIVIDUALS UNDER MONTGOMERY GI BILL PROGRAM.—

(1) INDIVIDUALS ELIGIBLE TO ELECT PARTICIPATION IN POST-9/11 EDUCATIONAL ASSISTANCE.—An

individual may elect to receive educational assistance under chapter 33 of title 38, United States Code (as added by subsection (a)), if such individual—

(A) as of August 1, 2009—

(i) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, and has used, but retains unused, entitlement under that chapter;

(ii) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, and has used, but retains unused, entitlement under the applicable chapter;

(iii) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, but has not used any entitlement under that chapter;

(iv) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, but has not used any entitlement under such chapter;

(v) is a member of the Armed Forces who is eligible for receipt of basic educational assistance under chapter 30 of title 38, United States Code, and is making contributions toward such assistance under section 3011(b) or 3012(c) of such title; or

(vi) is a member of the Armed Forces who is not entitled to basic educational assistance under chapter 30 of title 38, United States Code, by reason of an election under section 3011(c)(1) or 3012(d)(1) of such title; and

(B) as of the date of the individual's election under this paragraph, meets the requirements for entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added).

(2) CESSATION OF CONTRIBUTIONS TOWARD GI BILL.—Effective as of the first month beginning on or after the date of an election under paragraph (1) of an individual described by subparagraph (A)(v) of that paragraph, the obligation of the individual to make contributions under section 3011(b) or 3012(c) of title 38, United States Code, as applicable, shall cease, and the requirements of such section shall be deemed to be no longer applicable to the individual.

(3) REVOCATION OF REMAINING TRANSFERRED ENTITLEMENT.—

(A) ELECTION TO REVOKE.—If, on the date an individual described in subparagraph (A)(i) or (A)(iii) of paragraph (1) makes an election under that paragraph, a transfer of the entitlement of the individual to basic educational assistance under section 3020 of title 38, United States Code, is in effect and a number of months of the entitlement so transferred remain unutilized, the individual may elect to revoke all or a portion of the entitlement so transferred that remains unutilized.

(B) AVAILABILITY OF REVOKED ENTITLEMENT.—Any entitlement revoked by an individual under this paragraph shall no longer be available to the dependent to whom transferred, but shall be available to the individual instead for educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of this subsection.

(C) AVAILABILITY OF UNREVOKED ENTITLEMENT.—Any entitlement described in subparagraph (A) that is not revoked by an individual in accordance with that subparagraph shall remain available to the dependent or dependents concerned in accordance with the current transfer of such entitlement under section 3020 of title 38, United States Code.

(4) POST-9/11 EDUCATIONAL ASSISTANCE.—

(A) IN GENERAL.—Subject to subparagraph (B) and except as provided in paragraph (5), an individual making an election under paragraph (1) shall be entitled to educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of such chapter, instead of basic educational assistance under chapter 30 of title 38, United States Code, or educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, as applicable.

(B) LIMITATION ON ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual making an election under paragraph (1) who is described by subparagraph (A)(i) of that paragraph, the number of months of entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), shall be the number of months equal to—

(i) the number of months of unused entitlement of the individual under chapter 30 of title 38, United States Code, as of the date of the election, plus

(ii) the number of months, if any, of entitlement revoked by the individual under paragraph (3)(A).

(5) CONTINUING ENTITLEMENT TO EDUCATIONAL ASSISTANCE NOT AVAILABLE UNDER 9/11 ASSISTANCE PROGRAM.—

(A) IN GENERAL.—In the event educational assistance to which an individual making an election under paragraph (1) would be entitled under chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable, is not authorized to be available to the individual under the provisions of chapter 33 of title 38, United States Code (as so added), the individual shall remain entitled to such educational assistance in accordance with the provisions of the applicable chapter.

(B) CHARGE FOR USE OF ENTITLEMENT.—The utilization by an individual of entitlement under subparagraph (A) shall be chargeable against the entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), at the rate of one month of entitlement under such chapter 33 for each month of entitlement utilized by the individual under subparagraph (A) (as determined as if such entitlement were utilized under the provisions of chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable).

(6) ADDITIONAL POST-9/11 ASSISTANCE FOR MEMBERS HAVING MADE CONTRIBUTIONS TOWARD GI BILL.—

(A) ADDITIONAL ASSISTANCE.—In the case of an individual making an election under paragraph (1) who is described by clause (i), (iii), or (v) of subparagraph (A) of that paragraph, the amount of educational assistance payable to the individual under chapter 33 of title 38, United States Code (as so added), as a monthly stipend payable under paragraph (1)(B) of section 3313(c) of such title (as so added), or under paragraphs (2) through (7) of that section (as applicable), shall be the amount otherwise payable as a monthly stipend under the applicable paragraph increased by the amount equal to—

(i) the total amount of contributions toward basic educational assistance made by the individual under section 3011(b) or 3012(c) of title 38, United States Code, as of the date of the election, multiplied by

(ii) the fraction—

(I) the numerator of which is—

(aa) the number of months of entitlement to basic educational assistance under chapter 30 of title 38, United States Code, remaining to the individual at the time of the election; plus

(bb) the number of months, if any, of entitlement under such chapter 30 revoked by the individual under paragraph (3)(A); and

(II) the denominator of which is 36 months.

(B) MONTHS OF REMAINING ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual covered by subparagraph (A) who is described by paragraph (1)(A)(v), the number of months of entitlement to basic educational assistance remaining to the individual for purposes of subparagraph (A)(ii)(I)(aa) shall be 36 months.

(C) TIMING OF PAYMENT.—The amount payable with respect to an individual under subparagraph (A) shall be paid to the individual together with the last payment of the monthly stipend payable to the individual under paragraph (1)(B) of section 3313(c) of title 38, United States Code (as so added), or under paragraphs (2) through (7) of that section (as applicable), before the exhaustion of the individual's entitlement to educational assistance under chapter 33 of such title (as so added).

(7) CONTINUING ENTITLEMENT TO ADDITIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALITY AND ADDITIONAL SERVICE.—An individual making an election under paragraph (1)(A) who, at the time of the election, is entitled to increased educational assistance under section 3015(d) of title 38, United States Code, or section 16131(i) of title 10, United States Code, or supplemental educational assistance under subchapter III of chapter 30 of title 38, United States Code, shall remain entitled to such increased educational assistance or supplemental educational assistance in the utilization of entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added), in an amount equal to the quarter, semester, or term, as applicable, equivalent of the monthly amount of such increased educational assistance or supplemental educational assistance payable with respect to the individual at the time of the election.

(8) IRREVOCABILITY OF ELECTIONS.—An election under paragraph (1) or (3)(A) is irrevocable.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on August 1, 2009.

SEC. 4004. INCREASE IN AMOUNTS OF BASIC EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL.

(a) EDUCATIONAL ASSISTANCE BASED ON THREE-YEAR PERIOD OF OBLIGATED SERVICE.—Subsection (a)(1) of section 3015 of title 38, United States Code, is amended—

(1) by striking subparagraphs (A) through (C) and inserting the following new subparagraph:

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,321; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

(b) EDUCATIONAL ASSISTANCE BASED ON TWO-YEAR PERIOD OF OBLIGATED SERVICE.—Subsection (b)(1) of such section is amended—

(1) by striking subparagraphs (A) through (C) and inserting the following new subparagraph:

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,073; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

(c) MODIFICATION OF MECHANISM FOR COST-OF-LIVING ADJUSTMENTS.—Subsection (h)(1) of such section is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

''(A) the average cost of undergraduate tuition in the United States, as determined by the National Center for Education Statistics, for the last academic year preceding the beginning of the fiscal year for which the increase is made, exceeds

''(B) the average cost of undergraduate tuition in the United States, as so determined, for the academic year preceding the academic year described in subparagraph (A).''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on August 1, 2008.

(2) NO COST-OF-LIVING ADJUSTMENT FOR FISCAL YEAR 2009.—The adjustment required by subsection (h) of section 3015 of title 38, United States Code (as amended by this section), in rates of basic educational assistance payable under subsections (a) and (b) of such section (as so amended) shall not be made for fiscal year 2009.

SEC. 4005. MODIFICATION OF AMOUNT AVAILABLE FOR REIMBURSEMENT OF STATE AND LOCAL AGENCIES ADMINISTERING VETERANS EDUCATION BENEFITS.

Section 3674(a)(4) of title 38, United States Code, is amended by striking ''may not exceed''

and all that follows through the end and inserting ''shall be $19,000,000.''.

TITLE V—EMERGENCY UNEMPLOYMENT COMPENSATION

FEDERAL-STATE AGREEMENTS

SEC. 5001. (a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before May 1, 2007);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (except as provided under subsection (e)); and

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an emergency unemployment compensation account is established under section 5002 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of emergency unemployment compensation prior to extended compensation to individuals who otherwise meet the requirements of this section.

EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT

SEC. 5002. (a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted or at any time thereafter, such individual's State is in an extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period, as of any given time, if—

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970;

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act—

(i) were applied by substituting ''4'' for ''5'' each place it appears; and

(ii) did not include the requirement under paragraph (1)(A); or

(C) such a period would then be in effect for such State under such Act if—

(i) section 203(f) of such Act were applied to such State (regardless of whether the State by law had provided for such application); and

(ii) such section 203(f)—

(I) were applied by substituting ''6.0'' for ''6.5'' in paragraph (1)(A)(i); and

(II) did not include the requirement under paragraph (1)(A)(ii).

PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 5003. (a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

FINANCING PROVISIONS

SEC. 5004. (a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the Government Accountability Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

FRAUD AND OVERPAYMENTS

SEC. 5005. (a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual

under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

DEFINITIONS

SEC. 5006. In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

APPLICABILITY

SEC. 5007. (a) IN GENERAL.—Except as provided in subsection (b), an agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending on or before March 31, 2009.

(b) TRANSITION FOR AMOUNT REMAINING IN ACCOUNT.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), in the case of an individual who has amounts remaining in an account established under section 5002 as of the last day of the last week (as determined in accordance with the applicable State law) ending on or before March 31, 2009, emergency unemployment compensation shall continue to be payable to such individual from such amounts for any week beginning after such last day for which the individual meets the eligibility requirements of this title.

(2) LIMIT ON AUGMENTATION.—If the account of an individual is exhausted after the last day of such last week (as so determined), then section 5002(c) shall not apply and such account shall not be augmented under such section, regardless of whether such individual's State is in an extended benefit period (as determined under paragraph (2) of such section).

(3) LIMIT ON COMPENSATION.—No compensation shall be payable by reason of paragraph (1) for any week beginning after June 30, 2009.

TITLE VI—OTHER HEALTH MATTERS

SEC. 6001. (a) MORATORIA ON CERTAIN MEDICAID REGULATIONS.—

(1) EXTENSION OF CERTAIN MORATORIA IN PUBLIC LAW 110–28.—Section 7002(a)(1) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28) is amended—

(A) by striking ''prior to the date that is 1 year after the date of enactment of this Act'' and inserting ''prior to April 1, 2009'';

(B) in subparagraph (A), by inserting after ''Federal Regulations)'' the following: ''or in the final regulation, relating to such parts, published on May 29, 2007 (72 Federal Register 29748)''; and

(C) in subparagraph (C), by inserting before the period at the end the following: '', including the proposed regulation published on May 23, 2007 (72 Federal Register 28930)''.

(2) EXTENSION OF CERTAIN MORATORIA IN PUBLIC LAW 110–173.—Section 206 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) is amended—

(A) by striking ''June 30, 2008'' and inserting ''April 1, 2009'';

(B) by inserting '', including the proposed regulation published on August 13, 2007 (72 Federal Register 45201),'' after ''rehabilitation services''; and

(C) by inserting '', including the final regulation published on December 28, 2007 (72 Federal Register 73635),'' after ''school-based transportation''.

(3) MORATORIUM ON INTERIM FINAL MEDICAID REGULATION RELATING TO OPTIONAL CASE MANAGEMENT AND TARGETED CASE MANAGEMENT SERVICES.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to April 1, 2009, finalize, implement, enforce, or otherwise take any action (through promulgation of regulation, issuance of regulatory guidance, use of Federal payment audit procedures, or other administrative action, policy, or practice, including a Medical Assistance Manual transmittal or letter to State Medicaid directors) to impose any restrictions relating to the interim final regulation relating to optional State plan case management services and targeted case management services under the Medicaid program published on December 4, 2007 (72 Federal Register 68077) in its entirety.

(4) ADDITIONAL MORATORIA.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to April 1, 2009, take any action (through promulgation of regulation, issuance of regulatory guidance, use of Federal payment audit procedures, or other administrative action, policy, or practice, including a Medical Assistance Manual transmittal or letter to State Medicaid directors) to impose any restrictions relating to a provision described in subparagraph (B) or (C) if such restrictions are more restrictive in any aspect than those applied to the respective provision as of the date specified in subparagraph (D) for such provision.

(B) PROPOSED REGULATION RELATING TO REDEFINITION OF MEDICAID OUTPATIENT HOSPITAL SERVICES.—The provision described in this subparagraph is the proposed regulation relating to clarification of outpatient clinic and hospital facility services definition and upper payment limit under the Medicaid program published on September 28, 2007 (72 Federal Register 55158) in its entirety.

(C) PORTION OF PROPOSED REGULATION RELATING TO MEDICAID ALLOWABLE PROVIDER TAXES.—

(i) IN GENERAL.—Subject to clause (ii), the provision described in this subparagraph is the final regulation relating to health-care-related taxes under the Medicaid program published on February 22, 2008 (73 Federal Register 9685) in its entirety.

(ii) EXCEPTION.—The provision described in this subparagraph does not include the portions of such regulation as relate to the following:

(I) REDUCTION IN THRESHOLD.—The reduction from 6 percent to 5.5 percent in the threshold applied under section 433.68(f)(3)(i) of title 42, Code of Federal Regulations, for determining whether or not there is an indirect guarantee to hold a taxpayer harmless, as required to carry out section 1903(w)(4)(C)(ii) of the Social Security Act, as added by section 403 of the Medicare Improvement and Extension Act of 2006 (division B of Public Law 109–432).

(II) CHANGE IN DEFINITION OF MANAGED CARE.—The change in the definition of managed care as proposed in the revision of section 433.56(a)(8) of title 42, Code of Federal Regulations, as required to carry out section 1903(w)(7)(A)(viii) of the Social Security Act, as amended by section 6051 of the Deficit Reduction Act of 2005 (Public Law 109–171).

(D) DATE SPECIFIED.—The date specified in this subparagraph for the provision described in—

(i) subparagraph (B) is September 27, 2007; or

(ii) subparagraph (C) is February 21, 2008.

(b) RESTORATION OF ACCESS TO NOMINAL DRUG PRICING FOR CERTAIN CLINICS AND HEALTH CENTERS.—

(1) IN GENERAL.—Section 1927(c)(1)(D) of the Social Security Act (42 U.S.C. §1396r–8(c)(1)(D)), as added by section 6001(d)(2) of the Deficit Reduction Act of 2005 (Public Law 109–171), is amended—

(A) in clause (i)—

(i) by redesignating subclause (IV) as subclause (VI); and

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

''(IV) An entity that—

''(aa) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Act or is State-owned or operated; and

''(bb) would be a covered entity described in section 340(B)(a)(4) of the Public Health Service Act insofar as the entity provides the same type of services to the same type of populations as a covered entity described in such section provides, but does not receive funding under a provision of law referred to in such section.

''(V) A public or nonprofit entity, or an entity based at an institution of higher learning whose primary purpose is to provide health care services to students of that institution, that provides a service or services described under section 1001(a) of the Public Health Service Act.''; and

(B) by adding at the end the following new clause:

''(iv) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed to alter any existing statutory or regulatory prohibition on services with respect to an entity described in subclause (IV) or (V) of clause (i), including the prohibition set forth in section 1008 of the Public Health Service Act.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the amendment made by section 6001(d)(2) of the Deficit Reduction Act of 2005.

(c) ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS.—

(1) ADDITION OF AUTHORITY.—Title XIX of the Social Security Act is amended by inserting after section 1939 the following new section:

''ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS

''SEC. 1940. (a) IMPLEMENTATION.—

''(1) IN GENERAL.—Subject to the provisions of this section, each State shall implement an asset verification program described in subsection (b), for purposes of determining or redetermining the eligibility of an individual for medical assistance under the State plan under this title.

''(2) PLAN SUBMITTAL.—In order to meet the requirement of paragraph (1), each State shall—

''(A) submit not later than a deadline specified by the Secretary consistent with paragraph (3), a State plan amendment under this title that describes how the State intends to implement the asset verification program; and

''(B) provide for implementation of such program for eligibility determinations and redeterminations made on or after 6 months after the deadline established for submittal of such plan amendment.

''(3) PHASE-IN.—

''(A) IN GENERAL.—

''(i) IMPLEMENTATION IN CURRENT ASSET VERIFICATION DEMO STATES.—The Secretary shall require those States specified in subparagraph (C) (to which an asset verification program has been applied before the date of the enactment of this section) to implement an asset verification program under this subsection by the end of fiscal year 2009.

''(ii) IMPLEMENTATION IN OTHER STATES.—The Secretary shall require other States to submit and implement an asset verification program under this subsection in such manner as is designed to result in the application of such programs, in the aggregate for all such other

States, to enrollment of approximately, but not less than, the following percentage of enrollees, in the aggregate for all such other States, by the end of the fiscal year involved:

''(I) 12.5 percent by the end of fiscal year 2009.

''(II) 25 percent by the end of fiscal year 2010.

''(III) 50 percent by the end of fiscal year 2011.

''(IV) 75 percent by the end of fiscal year 2012.

''(V) 100 percent by the end of fiscal year 2013.

''(B) CONSIDERATION.—In selecting States under subparagraph (A)(ii), the Secretary shall consult with the States involved and take into account the feasibility of implementing asset verification programs in each such State.

''(C) STATES SPECIFIED.—The States specified in this subparagraph are California, New York, and New Jersey.

''(D) CONSTRUCTION.—Nothing in subparagraph (A)(ii) shall be construed as preventing a State from requesting, and the Secretary approving, the implementation of an asset verification program in advance of the deadline otherwise established under such subparagraph.

''(4) EXEMPTION OF TERRITORIES.—This section shall only apply to the 50 States and the District of Columbia.

''(b) ASSET VERIFICATION PROGRAM.—

''(1) IN GENERAL.—For purposes of this section, an asset verification program means a program described in paragraph (2) under which a State—

''(A) requires each applicant for, or recipient of, medical assistance under the State plan under this title on the basis of being aged, blind, or disabled to provide authorization by such applicant or recipient (and any other person whose resources are required by law to be disclosed to determine the eligibility of the applicant or recipient for such assistance) for the State to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act of 1978 but at no cost to the applicant or recipient) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (and such other person, as applicable), whenever the State determines the record is needed in connection with a determination with respect to such eligibility for (or the amount or extent of) such medical assistance; and

''(B) uses the authorization provided under subparagraph (A) to verify the financial resources of such applicant or recipient (and such other person, as applicable), in order to determine or redetermine the eligibility of such applicant or recipient for medical assistance under the State plan.

''(2) PROGRAM DESCRIBED.—A program described in this paragraph is a program for verifying individual assets in a manner consistent with the approach used by the Commissioner of Social Security under section 1631(e)(1)(B)(ii).

''(c) DURATION OF AUTHORIZATION.—Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act of 1978, an authorization provided to a State under subsection (b)(1)(A) shall remain effective until the earliest of—

''(1) the rendering of a final adverse decision on the applicant's application for medical assistance under the State's plan under this title;

''(2) the cessation of the recipient's eligibility for such medical assistance; or

''(3) the express revocation by the applicant or recipient (or such other person described in subsection (b)(1)(A), as applicable) of the authorization, in a written notification to the State.

''(d) TREATMENT OF RIGHT TO FINANCIAL PRIVACY ACT REQUIREMENTS.—

''(1) An authorization obtained by the State under subsection (b)(1) shall be considered to meet the requirements of the Right to Financial Privacy Act of 1978 for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

''(2) The certification requirements of section 1103(b) of the Right to Financial Privacy Act of 1978 shall not apply to requests by the State pursuant to an authorization provided under subsection (b)(1).

''(3) A request by the State pursuant to an authorization provided under subsection (b)(1) is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act of 1978 and of section 1102 of such Act, relating to a reasonable description of financial records.

''(e) REQUIRED DISCLOSURE.—The State shall inform any person who provides authorization pursuant to subsection (b)(1)(A) of the duration and scope of the authorization.

''(f) REFUSAL OR REVOCATION OF AUTHORIZATION.—If an applicant for, or recipient of, medical assistance under the State plan under this title (or such other person described in subsection (b)(1)(A), as applicable) refuses to provide, or revokes, any authorization made by the applicant or recipient (or such other person, as applicable) under subsection (b)(1)(A) for the State to obtain from any financial institution any financial record, the State may, on that basis, determine that the applicant or recipient is ineligible for medical assistance.

''(g) USE OF CONTRACTOR.—For purposes of implementing an asset verification program under this section, a State may select and enter into a contract with a public or private entity meeting such criteria and qualifications as the State determines appropriate, consistent with requirements in regulations relating to general contracting provisions and with section 1903(i)(2). In carrying out activities under such contract, such an entity shall be subject to the same requirements and limitations on use and disclosure of information as would apply if the State were to carry out such activities directly.

''(h) TECHNICAL ASSISTANCE.—The Secretary shall provide States with technical assistance to aid in implementation of an asset verification program under this section.

''(i) REPORTS.—A State implementing an asset verification program under this section shall furnish to the Secretary such reports concerning the program, at such times, in such format, and containing such information as the Secretary determines appropriate.

''(j) TREATMENT OF PROGRAM EXPENSES.—Notwithstanding any other provision of law, reasonable expenses of States in carrying out the program under this section shall be treated, for purposes of section 1903(a), in the same manner as State expenditures specified in paragraph (7) of such section.''.

(2) STATE PLAN REQUIREMENTS.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (69) by striking ''and'' at the end;

(B) in paragraph (70) by striking the period at the end and inserting ''; and''; and

(C) by inserting after paragraph (70), as so amended, the following new paragraph:

''(71) provide that the State will implement an asset verification program as required under section 1940.''.

(3) WITHHOLDING OF FEDERAL MATCHING PAYMENTS FOR NONCOMPLIANT STATES.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) in paragraph (22) by striking ''or'' at the end;

(B) in paragraph (23) by striking the period at the end and inserting ''; or''; and

(C) by adding after paragraph (23) the following new paragraph:

''(24) if a State is required to implement an asset verification program under section 1940 and fails to implement such program in accordance with such section, with respect to amounts expended by such State for medical assistance for individuals subject to asset verification under such section, unless—

''(A) the State demonstrates to the Secretary's satisfaction that the State made a good faith effort to comply;

''(B) not later than 60 days after the date of a finding that the State is in noncompliance, the State submits to the Secretary (and the Secretary approves) a corrective action plan to remedy such noncompliance; and

''(C) not later than 12 months after the date of such submission (and approval), the State fulfills the terms of such corrective action plan.''.

(4) REPEAL.—Section 4 of Public Law 110–90 is repealed.

SEC. 6002. LIMITATION ON MEDICARE EXCEPTION TO THE PROHIBITION ON CERTAIN PHYSICIAN REFERRALS FOR HOSPITALS.—

(a) IN GENERAL.—Section 1877 of the Social Security Act (42 U.S.C. 1395nn) is amended—

(1) in subsection (d)(2)—

(A) in subparagraph (A), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new subparagraph:

''(C) in the case where the entity is a hospital, the hospital meets the requirements of paragraph (3)(D).'';

(2) in subsection (d)(3)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new subparagraph:

''(D) the hospital meets the requirements described in subsection (i)(1) not later than 18 months after the date of the enactment of this subparagraph.''; and

(3) by adding at the end the following new subsection:

''(i) REQUIREMENTS FOR HOSPITALS TO QUALIFY FOR HOSPITAL EXCEPTION TO OWNERSHIP OR INVESTMENT PROHIBITION.—

''(1) REQUIREMENTS DESCRIBED.—For purposes of subsection (d)(3)(D), the requirements described in this paragraph for a hospital are as follows:

''(A) PROVIDER AGREEMENT.—The hospital had—

''(i) physician ownership on September 1, 2008; and

''(ii) a provider agreement under section 1866 in effect on such date.

''(B) LIMITATION ON EXPANSION OF FACILITY CAPACITY.—Except as provided in paragraph (3), the number of operating rooms, procedure rooms, and beds of the hospital at any time on or after the date of the enactment of this subsection are no greater than the number of operating rooms, procedure rooms, and beds as of such date.

''(C) PREVENTING CONFLICTS OF INTEREST.—

''(i) The hospital submits to the Secretary an annual report containing a detailed description of—

''(I) the identity of each physician owner and any other owners of the hospital; and

''(II) the nature and extent of all ownership interests in the hospital.

''(ii) The hospital has procedures in place to require that any referring physician owner discloses to the patient being referred, by a time that permits the patient to make a meaningful decision regarding the receipt of care, as determined by the Secretary—

''(I) the ownership interest of such referring physician in the hospital; and

''(II) if applicable, any such ownership interest of the treating physician.

''(iii) The hospital does not condition any physician ownership interests either directly or indirectly on the physician owner making or influencing referrals to the hospital or otherwise generating business for the hospital.

''(iv) The hospital discloses the fact that the hospital is partially owned by physicians—

''(I) on any public website for the hospital; and

''(II) in any public advertising for the hospital.

''(D) ENSURING BONA FIDE INVESTMENT.—

''(i) Physician owners in the aggregate do not own more than the greater of—

''(I) 40 percent of the total value of the investment interests held in the hospital or in an entity whose assets include the hospital; or

''(II) the percentage of such total value determined on the date of enactment of this subsection.

''(ii) Any ownership or investment interests that the hospital offers to a physician owner are not offered on more favorable terms than the terms offered to a person who is not a physician owner.

''(iii) The hospital (or any investors in the hospital) does not directly or indirectly provide loans or financing for any physician owner investments in the hospital.

''(iv) The hospital (or any investors in the hospital) does not directly or indirectly guarantee a loan, make a payment toward a loan, or otherwise subsidize a loan, for any individual physician owner or group of physician owners that is related to acquiring any ownership interest in the hospital.

''(v) Investment returns are distributed to each investor in the hospital in an amount that is directly proportional to the ownership interest of such investor in the hospital.

''(vi) Physician owners do not receive, directly or indirectly, any guaranteed receipt of or right to purchase other business interests related to the hospital, including the purchase or lease of any property under the control of other investors in the hospital or located near the premises of the hospital.

''(vii) The hospital does not offer a physician owner the opportunity to purchase or lease any property under the control of the hospital or any other investor in the hospital on more favorable terms than the terms offered to an individual who is not a physician owner.

''(E) PATIENT SAFETY.—

''(i) Insofar as the hospital admits a patient and does not have any physician available on the premises to provide services during all hours in which the hospital is providing services to such patient, before admitting the patient—

''(I) the hospital discloses such fact to a patient; and

''(II) following such disclosure, the hospital receives from the patient a signed acknowledgment that the patient understands such fact.

''(ii) The hospital has the capacity to—

''(I) provide assessment and initial treatment for patients; and

''(II) refer and transfer patients to hospitals with the capability to treat the needs of the patient involved.

''(F) LIMITATION ON APPLICATION TO CERTAIN CONVERTED FACILITIES.—The hospital was not converted from an ambulatory surgical center to a hospital on or after the date of enactment of this subsection.

''(2) PUBLICATION OF INFORMATION REPORTED.—The Secretary shall publish, and update on an annual basis, the information submitted by hospitals under paragraph (1)(C)(i) on the public Internet website of the Centers for Medicare & Medicaid Services.

''(3) EXCEPTION TO PROHIBITION ON EXPANSION OF FACILITY CAPACITY.—

''(A) PROCESS.—

''(i) ESTABLISHMENT.—The Secretary shall establish and implement a process under which an applicable hospital (as defined in subparagraph (E)) may apply for an exception from the requirement under paragraph (1)(B).

''(ii) OPPORTUNITY FOR COMMUNITY INPUT.—The process under clause (i) shall provide individuals and entities in the community that the applicable hospital applying for an exception is located with the opportunity to provide input with respect to the application.

''(iii) TIMING FOR IMPLEMENTATION.—The Secretary shall implement the process under clause (i) on November 1, 2009.

''(iv) REGULATIONS.—Not later than November 1, 2009, the Secretary shall promulgate regulations to carry out the process under clause (i).

''(B) FREQUENCY.—The process described in subparagraph (A) shall permit an applicable hospital to apply for an exception up to once every 2 years.

''(C) PERMITTED INCREASE.—

''(i) IN GENERAL.—Subject to clause (ii) and subparagraph (D), an applicable hospital granted an exception under the process described in subparagraph (A) may increase the number of operating rooms, procedure rooms, and beds of the applicable hospital above the baseline number of operating rooms, procedure rooms, and beds of the applicable hospital (or, if the applicable hospital has been granted a previous exception under this paragraph, above the number of operating rooms, procedure rooms, and beds of the hospital after the application of the most recent increase under such an exception).

''(ii) LIFETIME 100 PERCENT INCREASE LIMITATION.—The Secretary shall not permit an increase in the number of operating rooms, procedure rooms, and beds of an applicable hospital under clause (i) to the extent such increase would result in the number of operating rooms, procedure rooms, and beds of the applicable hospital exceeding 200 percent of the baseline number of operating rooms, procedure rooms, and beds of the applicable hospital.

''(iii) BASELINE NUMBER OF OPERATING ROOMS, PROCEDURE ROOMS, AND BEDS.—In this paragraph, the term 'baseline number of operating rooms, procedure rooms, and beds' means the number of operating rooms, procedure rooms, and beds of the applicable hospital as of the date of enactment of this subsection.

''(D) INCREASE LIMITED TO FACILITIES ON THE MAIN CAMPUS OF THE HOSPITAL.—Any increase in the number of operating rooms, procedure rooms, and beds of an applicable hospital pursuant to this paragraph may only occur in facilities on the main campus of the applicable hospital.

''(E) APPLICABLE HOSPITAL.—In this paragraph, the term ''applicable hospital'' means a hospital—

''(i) that is located in a county in which the percentage increase in the population during the most recent 5-year period (as of the date of the application under subparagraph (A)) is at least 150 percent of the percentage increase in the population growth of the State in which the hospital is located during that period, as estimated by Bureau of the Census;

''(ii) whose annual percent of total inpatient admissions that represent inpatient admissions under the program under title XIX is equal to or greater than the average percent with respect to such admissions for all hospitals located in the county in which the hospital is located;

''(iii) that does not discriminate against beneficiaries of Federal health care programs and does not permit physicians practicing at the hospital to discriminate against such beneficiaries;

''(iv) that is located in a State in which the average bed capacity in the State is less than the national average bed capacity; and

''(v) that has an average bed occupancy rate that is greater than the average bed occupancy rate in the State in which the hospital is located.

''(F) PROCEDURE ROOMS.—In this subsection, the term 'procedure rooms' includes rooms in which catheterizations, angiographies, angiograms, and endoscopies are performed, except such term shall not include emergency rooms or departments (exclusive of rooms in which catheterizations, angiographies, angiograms, and endoscopies are performed).

''(G) PUBLICATION OF FINAL DECISIONS.—Not later than 60 days after receiving a complete application under this paragraph, the Secretary shall publish in the Federal Register the final decision with respect to such application.

''(H) LIMITATION ON REVIEW.—There shall be no administrative or judicial review under section 1869, section 1878, or otherwise of the process under this paragraph (including the establishment of such process).

''(4) COLLECTION OF OWNERSHIP AND INVESTMENT INFORMATION.—For purposes of subparagraphs (A)(i) and (D)(i) of paragraph (1), the Secretary shall collect physician ownership and investment information for each hospital.

''(5) PHYSICIAN OWNER DEFINED.—For purposes of this subsection, the term 'physician owner' means a physician (or an immediate family member of such physician) with a direct or an indirect ownership interest in the hospital.''.

(b) ENFORCEMENT.—

(1) ENSURING COMPLIANCE.—The Secretary of Health and Human Services shall establish policies and procedures to ensure compliance with the requirements described in subsection (i)(1) of section 1877 of the Social Security Act, as added by subsection (a)(3), beginning on the date such requirements first apply. Such policies and procedures may include unannounced site reviews of hospitals.

(2) AUDITS.—Beginning not later than January 1, 2010, the Secretary of Health and Human Services shall conduct audits to determine if hospitals violate the requirements referred to in paragraph (1).

SEC. 6003. Medicare Improvement Fund.—

Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following new section:

''MEDICARE IMPROVEMENT FUND

''SEC. 1898. (a) ESTABLISHMENT.—The Secretary shall establish under this title a Medicare Improvement Fund (in this section referred to as the 'Fund') which shall be available to the Secretary to make improvements under the original fee-for-service program under parts A and B for individuals entitled to, or enrolled for, benefits under part A or enrolled under part B.

''(b) FUNDING.—

''(1) IN GENERAL.—There shall be available to the Fund, for expenditures from the Fund for services furnished during fiscal year 2014, $3,340,000,000.

''(2) PAYMENT FROM TRUST FUNDS.—The amount specified under paragraph (1) shall be available to the Fund, as expenditures are made from the Fund, from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such proportion as the Secretary determines appropriate.

''(3) FUNDING LIMITATION.—Amounts in the Fund shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under paragraph (1). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.''.

SEC. 6004. MORATORIUM ON AUGUST 17, 2007 CMS DIRECTIVE. Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to April 1, 2009, finalize, implement, enforce, or otherwise take any action to give effect to any or all components of the State Health Official Letter 07–001, dated August 17, 2007, issued by the Director of the Center for Medicaid and State Operations in the Centers for Medicare & Medicaid Services regarding certain requirements under the State Children's Health Insurance Program (CHIP) relating to the prevention of the substitution of health benefits coverage for children (commonly referred to as ''crowd-out'') and the enforcement of medical support orders (or to any similar administrative actions that reflect the same or similar policies set forth in such letter). Any change made on or after August 17, 2007, to a Medicaid or CHIP State plan or waiver to implement, conform to, or otherwise adhere to the requirements or policies in such letter shall not apply prior to April 1, 2009.

SEC. 6005. ADJUSTMENT TO PAQI FUND. Section 1848(l)(2) of the Social Security Act (42

U.S.C. 1395w–4(l)(2)), as amended by section 101(a)(2) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173), is amended—

(1) in subparagraph (A)(i)—

(A) in subclause (III), by striking ''$4,960,000,000'' and inserting ''$3,940,000,000''; and

(B) by adding at the end the following new subclause:

''(IV) For expenditures during 2014, an amount equal to $3,750,000,000.'';

(2) in subparagraph (A)(ii), by adding at the end the following new subclause:

''(IV) 2014.—The amount available for expenditures during 2014 shall only be available for an adjustment to the update of the conversion factor under subsection (d) for that year.''; and

(3) in subparagraph (B)—

(A) in clause (ii), by striking ''and'' at the end;

(B) in clause (iii), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(iv) 2014 for payment with respect to physicians' services furnished during 2014.''.

TITLE VII—ACCOUNTABILITY AND COMPETITION IN GOVERNMENT CONTRACTING

CHAPTER 1—CLOSE THE CONTRACTOR FRAUD LOOPHOLE

SHORT TITLE

SEC. 7101. This chapter may be cited as the ''Close the Contractor Fraud Loophole Act''.

REVISION OF THE FEDERAL ACQUISITION REGULATION

SEC. 7102. The Federal Acquisition Regulation shall be amended within 180 days after the date of the enactment of this Act pursuant to FAR Case 2007–006 (as published at 72 Fed Reg. 64019, November 14, 2007) or any follow-on FAR case to include provisions that require timely notification by Federal contractors of violations of Federal criminal law or overpayments in connection with the award or performance of covered contracts or subcontracts, including those performed outside the United States and those for commercial items.

DEFINITION

SEC. 7103. In this chapter, the term ''covered contract'' means any contract in an amount greater than $5,000,000 and more than 120 days in duration.

CHAPTER 2—GOVERNMENT FUNDING TRANSPARENCY

SHORT TITLE

SEC. 7201. This chapter may be cited as the ''Government Funding Transparency Act of 2008''.

FINANCIAL DISCLOSURE REQUIREMENTS FOR CERTAIN RECIPIENTS OF FEDERAL AWARDS

SEC. 7202. (a) DISCLOSURE REQUIREMENTS.—Section 2(b)(1) of the Federal Funding Accountability and Transparency Act (Public Law 109–282; 31 U.S.C. 6101 note) is amended—

(1) by striking ''and'' at the end of subparagraph (E);

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) the names and total compensation of the five most highly compensated officers of the entity if—

''(i) the entity in the preceding fiscal year received—

''(I) 80 percent or more of its annual gross revenues in Federal awards; and

''(II) $25,000,000 or more in annual gross revenues from Federal awards; and

''(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.''.

(b) REGULATIONS REQUIRED.—The Director of the Office of Management and Budget shall promulgate regulations to implement the amendment made by this chapter. Such regulations shall include a definition of ''total compensation'' that is consistent with regulations of the Securities and Exchange Commission at section 402 of part 229 of title 17 of the Code of Federal Regulations (or any subsequent regulation).

TITLE VIII

GENERAL PROVISIONS—THIS ACT

AVAILABILITY OF FUNDS

SEC. 8001. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

EMERGENCY DESIGNATION

SEC. 8002. Each amount in each title of this Act is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

AVOIDANCE OF U.S. PAYROLL TAX CONTRIBUTIONS

SEC. 8003. None of the funds in this Act may be used by any Federal agency for a contract with any United States corporation which hires United States employees through foreign offshore subsidiaries for purposes of avoiding United States payroll tax contributions for such employees.

EXPLANATORY STATEMENT

SEC. 8004. The explanatory statement printed in the Senate section of the Congressional Record on May 19, 2008, submitted by the Chairman of the Committee on Appropriations of the Senate regarding the amendments of the Senate to the House amendments 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, submitted by the Chairman of the Committee on Appropriations of the Senate, shall have the same effect with respect to the allocation of funds and implementation of titles I through XIII of this Act as if it were a report to the Senate on a bill reported by the Committee on Appropriations.

SHORT TITLE

SEC. 8005. This Act may be cited as the ''Supplemental Appropriations Act, 2008''.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer the motion at the desk.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Motion offered by Mr. OBEY:

Mr. Obey moves that the House concur in the Senate amendment to House amendment numbered 1 to the Senate amendment to H.R. 2642 and that the House concur in the Senate amendment to House amendment numbered 2 to the Senate amendment to H.R. 2642 with the amendment printed in House Report 110–720.

The text of the House amendment to Senate amendment No. 2 to House amendment No. 2 to the Senate amendment is as follows:

In lieu of the matter proposed to be inserted by the Senate amendment numbered 2 to the House amendment numbered 2 to the Senate amendment to the bill H.R. 2642, insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2008, and for other purposes, namely:

TITLE I—MILITARY CONSTRUCTION, VETERANS AFFAIRS, INTERNATIONAL AFFAIRS, AND OTHER SECURITY-RELATED MATTERS

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

For an additional amount for ''Public Law 480 Title II Grants'', $850,000,000, to remain available until expended.

For an additional amount for ''Public Law 480 Title II Grants'', $395,000,000, to become available on October 1, 2008, and to remain available until expended.

CHAPTER 2—JUSTICE

DEPARTMENT OF JUSTICE

OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Office of Inspector General'', $4,000,000, to remain available until September 30, 2009.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for ''Salaries and Expenses, General Legal Activities'', $1,648,000, to remain available until September 30, 2009.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for ''Salaries and Expenses, United States Attorneys'', $5,000,000, to remain available until September 30, 2009.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $28,621,000, to remain available until September 30, 2009.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $106,122,000, to remain available until September 30, 2009.

For an additional amount for ''Salaries and Expenses'', $82,600,000, to become available on October 1, 2008, and to remain available until September 30, 2009.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $29,861,000, to remain available until September 30, 2009.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $4,000,000, to remain available until September 30, 2009.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $9,100,000, to remain available until September 30, 2009.

GENERAL PROVISION, THIS CHAPTER

SEC. 1201. Funds appropriated by this chapter, or made available by the transfer of funds in this chapter, for intelligence or intelligence related activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

CHAPTER 3—MILITARY CONSTRUCTION AND VETERANS AFFAIRS

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION, ARMY

For an additional amount for ''Military Construction, Army'', $1,108,200,000, of which

$921,000,000 shall remain available until September 30, 2009, and of which $187,200,000 for child development centers and trainee and recruit facilities (including planning and design) shall remain available until September 30, 2012: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: *Provided further*, That of the funds provided under this heading, not to exceed $73,400,000 shall be available for study, planning, design, and architect and engineer services: *Provided further*, That funds provided under this heading for Iraq shall not be obligated or expended until the Secretary of Defense certifies to the Committees on Appropriations of both Houses of Congress that none of the funds are to be used for the purpose of providing facilities for the permanent basing of United States military personnel in Iraq.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Military Construction, Navy and Marine Corps'', $355,907,000, of which $295,516,000 shall remain available until September 30, 2009, and of which $60,391,000 for child development centers and trainee and recruit facilities (including planning and design) shall remain available until September 30, 2012: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: *Provided further*, That of the funds provided under this heading, not to exceed $15,843,000 shall be available for study, planning, design, and architect and engineer services.

MILITARY CONSTRUCTION, AIR FORCE

For an additional amount for ''Military Construction, Air Force'', $399,627,000, of which $361,600,000 shall remain available until September 30, 2009, and of which $38,027,000 for child development centers (including planning and design) shall remain available until September 30, 2012: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: *Provided further*, That of the funds provided under this heading, not to exceed $36,427,000 shall be available for study, planning, design, and architect and engineer services: *Provided further*, That funds provided under this heading for Iraq shall not be obligated or expended until the Secretary of Defense certifies to the Committees on Appropriations of both Houses of Congress that none of the funds are to be used for the purpose of providing facilities for the permanent basing of United States military personnel in Iraq.

MILITARY CONSTRUCTION, DEFENSE-WIDE

For an additional amount for ''Military Construction, Defense-Wide'', $890,921,000, of which $27,600,000 shall remain available until September 30, 2009, and of which $863,321,000 for medical treatment facilities (including planning and design) shall remain available until September 30, 2012: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

For an additional amount for ''Family Housing Construction, Navy and Marine Corps'', $11,766,000, to remain available until September 30, 2009: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005

For deposit into the Department of Defense Base Closure Account 2005, established by section 2906A(a)(1) of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note), $1,278,886,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For an additional amount for ''General Operating Expenses'', $100,000,000, to remain available until September 30, 2009.

INFORMATION TECHNOLOGY SYSTEMS

For an additional amount for ''Information Technology Systems'', $20,000,000, to remain available until September 30, 2009.

CONSTRUCTION, MAJOR PROJECTS

For an additional amount for ''Construction, Major Projects'', $396,377,000, to remain available until expended, which shall be for acceleration and completion of planned major construction of Level I polytrauma rehabilitation centers as identified in the Department of Veterans Affairs' Five Year Capital Plan: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and major medical facility construction not otherwise authorized by law: *Provided further*, That within 30 days of enactment of this Act the Secretary shall submit to the Committees on Appropriations of both Houses of Congress an expenditure plan for funds provided under this heading.

GENERAL PROVISIONS, THIS CHAPTER

SEC. 1301. In addition to amounts otherwise appropriated or made available under the heading ''Military Construction, Army'', there is hereby appropriated an additional $200,000,000, to remain available until September 30, 2012, to accelerate barracks improvements at Department of Army installations: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and barracks construction not otherwise authorized by law: *Provided further*, That within 30 days of enactment of this Act the Secretary of the Army shall submit to the Committees on Appropriations of both Houses of Congress an expenditure plan for barracks construction prior to obligation.

SEC. 1302. None of the funds appropriated in this or any other Act may be used to disestablish, reorganize, or relocate the Armed Forces Institute of Pathology, except for the Armed Forces Medical Examiner, until the President has established, as required by section 722 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181; 122 Stat. 199; 10 U.S.C. 176 note), a Joint Pathology Center.

SEC. 1303. (a) LIMITATION ON AUTHORITY.—

(1) IN GENERAL.—Chapter 53 of title 38, United States Code, is amended by inserting after section 5302 the following new section:

''§ 5302A Collection of indebtedness: certain debts of members of the Armed Forces and veterans who die of injury incurred or aggravated in the line of duty in a combat zone

''(a) LIMITATION ON AUTHORITY.—The Secretary may not collect all or any part of an amount owed to the United States by a member of the Armed Forces or veteran described in subsection (b) under any program under the laws administered by the Secretary, other than a program referred to in subsection (c), if the Secretary determines that termination of collection is in the best interest of the United States.

''(b) COVERED INDIVIDUALS.—A member of the Armed Forces or veteran described in this subsection is any member or veteran who dies as a result of an injury incurred or aggravated in the line of duty while serving in a theater of combat operations (as determined by the Secretary in consultation with the Secretary of Defense) in a war or in combat against a hostile force during a period of hostilities (as that term is defined in section 1712A(a)(2)(B) of this title) after September 11, 2001.

''(c) INAPPLICABILITY TO HOUSING AND SMALL BUSINESS BENEFIT PROGRAMS.—The limitation on authority in subsection (a) shall not apply to any amounts owed the United States under any program carried out under chapter 37 of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of such title is amended by inserting after the item relating to section 5302 the following new item:

''5302A. Collection of indebtedness: certain debts of members of the Armed Forces and veterans who die of injury incurred or aggravated in the line of duty in a combat zone.''.

(b) EQUITABLE REFUND.—In any case where all or any part of an indebtedness of a covered individual, as described in section 5302A(a) of title 38, United States Code, as added by subsection (a)(1), was collected after September 11, 2001, and before the date of the enactment of this Act, and the Secretary of Veterans Affairs determines that such indebtedness would have been terminated had such section been in effect at such time, the Secretary may refund the amount so collected if the Secretary determines that the individual is equitably entitled to such refund.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to collections of indebtedness of members of the Armed Forces and veterans who die on or after September 11, 2001.

(d) SHORT TITLE.—This section may be cited as the ''Combat Veterans Debt Elimination Act of 2008''.

CHAPTER 4—DEPARTMENT OF STATE AND FOREIGN OPERATIONS

SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $1,465,700,000, to remain available until September 30, 2009, of which $210,400,000 is for worldwide security protection and shall remain available until expended: *Provided*, That not more than $1,150,000,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq: *Provided further*, That of the funds appropriated under this heading, not more than $30,000,000 shall be made available to establish and implement a coordinated civilian response capacity at the United States Department of State.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of Inspector General'', $9,500,000, to remain available until September 30, 2009: *Provided*, That

$2,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight, and $2,000,000 shall be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance'', $76,700,000, to remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $66,000,000, to remain available until September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'', $373,708,000, to remain available until September 30, 2009, of which $333,600,000 shall be made available for the United Nations-African Union Hybrid Mission in Darfur.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for ''International Broadcasting Operations'', $2,000,000, to remain available until September 30, 2009.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $220,000,000, to remain available until expended.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for ''Operating Expenses of the United States Agency for International Development'', $150,500,000, to remain available until September 30, 2009: *Provided*, That of the funds appropriated under this heading, not more than $25,000,000 shall be made available to establish and implement a coordinated civilian response capacity at the United States Agency for International Development.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Operating Expenses of the United States Agency for International Development Office of Inspector General'', $4,000,000, to remain available until September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'', $1,882,500,000, to remain available until September 30, 2009, of which not more than $424,000,000 may be made available for assistance for Iraq, $175,000,000 shall be made available for assistance for Jordan to meet the needs of Iraqi refugees, and up to $53,000,000 may be made available for energy-related assistance for North Korea, notwithstanding any other provision of law: *Provided*, That not more than $171,000,000 of the funds appropriated under this heading in this subchapter shall be made available for assistance for the West Bank and Gaza and none of such funds shall be for cash transfer assistance: *Provided further*, That of the funds appropriated under this heading, $1,000,000 shall be made available for the Office of the United Nations High Commissioner for Human Rights in Mexico: *Provided further*, That the funds made available under this heading for energy-related assistance for North Korea may be made available to support the goals of the Six Party Talks Agreements after the Secretary of State determines and reports to the Committees on Appropriations that North Korea is continuing to fulfill its commitments under such agreements.

DEPARTMENT OF STATE

DEMOCRACY FUND

For an additional amount for ''Democracy Fund'', $76,000,000, to remain available until September 30, 2009, of which $75,000,000 shall be for democracy programs in Iraq and $1,000,000 shall be for democracy programs in Chad.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $390,300,000, to remain available until September 30, 2009, of which not more than $25,000,000 shall be made available for security assistance for the West Bank.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $315,000,000, to remain available until expended.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For an additional amount for ''United States Emergency Refugee and Migration Assistance Fund'', $31,000,000, to remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', $13,700,000, to remain available until September 30, 2009.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $137,500,000, to remain available until September 30, 2009, of which $17,000,000 shall be made available for assistance for Jordan and up to $116,500,000 may be made available for assistance for Mexico.

Not more than $1,350,000 of the funds appropriated or otherwise made available under the heading ''Foreign Military Financing Program'' by the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161) that were previously transferred to and merged with ''Diplomatic and Consular Programs'' may be made available for any purposes authorized for that account, of which up to $500,000 shall be made available to increase the capacity of the United States Embassy in Mexico City to implement section 620J of the Foreign Assistance Act of 1961: *Provided*, That funds made available by this paragraph shall not be subject to Section 8002 of this Act.

SUBCHAPTER B—BRIDGE FUND SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2009

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for ''Diplomatic and Consular Programs'', $704,900,000, which shall become available on October 1, 2008, and remain available through September 30, 2009: *Provided*, That of the funds appropriated under this heading, $78,400,000 is for worldwide security protection and shall remain available until expended: *Provided further*, That not more than $550,500,000 of the funds appropriated under this heading shall be available for diplomatic operations in Iraq.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of Inspector General'', $57,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009: *Provided*, That $36,500,000 shall be transferred to the Special Inspector General for Iraq Reconstruction for reconstruction oversight and $5,000,000 shall be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For an additional amount for ''Embassy Security, Construction, and Maintenance'', $41,300,000, which shall become available on October 1, 2008, and remain available until expended, for facilities in Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for ''Contributions to International Organizations'', $75,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For an additional amount for ''Contributions for International Peacekeeping Activities'', $150,500,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for ''International Broadcasting Operations'', $6,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

GLOBAL HEALTH AND CHILD SURVIVAL

For an additional amount for ''Global Health and Child Survival'', $75,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009, for programs to combat avian influenza.

DEVELOPMENT ASSISTANCE

For an additional amount for ''Development Assistance'', $200,000,000, for assistance for developing countries to address the international food crisis notwithstanding any other provision of law, which shall become available on October 1, 2008, and remain available through September 30, 2010: *Provided*, That such assistance should be carried out consistent with the purposes of section 103(a)(1) of the Foreign Assistance Act of 1961: *Provided further*, That not more than $50,000,000 should be made available for local or regional purchase and distribution of food: *Provided further*, That the Secretary of State shall submit to the Committees on Appropriations not later than 45 days after enactment of this Act, and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of such funds to alleviate hunger and malnutrition, including a list of those countries facing significant food shortages.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for ''International Disaster Assistance'', $200,000,000, which shall become available on October 1, 2008, and remain available until expended.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for ''Operating Expenses of the United States Agency for

International Development'', $93,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For an additional amount for ''Operating Expenses of the United States Agency for International Development Office of Inspector General'', $1,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'', $1,124,800,000, which shall become available on October 1, 2008, and remain available through September 30, 2009, of which not more than $102,500,000 may be made available for assistance for Iraq, $100,000,000 shall be made available for assistance for Jordan, not more than $455,000,000 may be made available for assistance for Afghanistan, not more than $150,000,000 may be made available for assistance for Pakistan, not more than $150,000,000 shall be made available for assistance for the West Bank and Gaza, and $15,000,000 may be made available for energy-related assistance for North Korea, notwithstanding any other provision of law.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for ''International Narcotics Control and Law Enforcement'', $199,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009: *Provided*, That not more than $50,000,000 of the funds appropriated under this heading shall be made available for security assistance for the West Bank and up to $48,000,000 may be made available for assistance for Mexico.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for ''Migration and Refugee Assistance'', $350,000,000, which shall become available on October 1, 2008, and remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', $4,500,000, for humanitarian demining assistance for Iraq, which shall become available on October 1, 2008, and remain available through September 30, 2009.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $302,500,000, which shall become available on October 1, 2008, and remain available through September 30, 2009, of which $100,000,000 shall be made available for assistance for Jordan, and not less than $170,000,000 shall be available for grants only for Israel and shall be disbursed not later than November 1, 2008: *Provided*, That section 3802(c) of title III, chapter 8 of Public Law 110–28 shall apply to funds made available under this heading for assistance for Lebanon.

PEACEKEEPING OPERATIONS

For an additional amount for ''Peacekeeping Operations'', $95,000,000, which shall become available on October 1, 2008, and remain available through September 30, 2009.

SUBCHAPTER C—GENERAL PROVISIONS, THIS CHAPTER

EXTENSION OF AUTHORITIES

SEC. 1401. Funds appropriated by this chapter may be obligated and expended notwithstanding section 10 of Public Law 91–672 (22 U.S.C. 2412), section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6212), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

IRAQ

SEC. 1402. (a) ASSET TRANSFER AGREEMENT.—

(1) None of the funds appropriated by this chapter for infrastructure maintenance activities in Iraq may be made available until the Secretary of State certifies and reports to the Committees on Appropriations that the Governments of the United States and Iraq have entered into, and are implementing, an asset transfer agreement that includes commitments by the Government of Iraq to maintain United States-funded infrastructure in Iraq.

(2) None of the funds appropriated by this chapter may be made available for the construction of prison facilities in Iraq.

(b) ANTI-CORRUPTION.—Not more than 40 percent of the funds appropriated by this chapter for rule of law programs in Iraq may be made available for assistance for the Government of Iraq until the Secretary of State reports to the Committees on Appropriations that a comprehensive anti-corruption strategy has been developed, and is being implemented, by the Government of Iraq, and the Secretary of State submits a list, in classified form if necessary, to the Committees on Appropriations of senior Iraqi officials who the Secretary has credible evidence to believe have committed corrupt acts.

(c) PROVINCIAL RECONSTRUCTION TEAMS.—None of the funds appropriated by this chapter for the operational or program expenses of Provincial Reconstruction Teams (PRTs) in Iraq may be made available until the Secretary of State submits a report to the Committees on Appropriations detailing—

(1) the strategy for the eventual winding down and close out of PRTs;

(2) anticipated costs associated with PRT operations, programs, and eventual winding down and close out, including security for PRT personnel and anticipated Government of Iraq contributions; and

(3) anticipated placement and cost estimates of future United States Consulates in Iraq.

(d) COMMUNITY STABILIZATION PROGRAM.—Not more than 50 percent of the funds appropriated by this chapter for the Community Stabilization Program in Iraq may be made available until the Secretary of State certifies and reports to the Committees on Appropriations that the United States Agency for International Development is implementing recommendations contained in Office of Inspector General Audit Report No. E-267-08-001-P to ensure accountability of funds.

(e) MATCHING REQUIREMENT.—

(1) Notwithstanding any other provision of law, funds appropriated by this chapter for assistance for Iraq shall be made available only to the extent that the Government of Iraq matches such assistance on a dollar-for-dollar basis.

(2) Paragraph (1) shall not apply to funds made available for—

(A) grants and cooperative agreements for programs to promote democracy and human rights;

(B) the Community Action Program and other assistance through civil society organizations;

(C) humanitarian demining; or

(D) assistance for refugees, internally displaced persons, and civilian victims of the military operations.

(3) The Secretary of State shall certify to the Committees on Appropriations prior to the initial obligation of funds pursuant to this section that the Government of Iraq has committed to obligate matching funds on a dollar-for-dollar basis. The Secretary shall submit a report to the Committees on Appropriations not later than September 30, 2008, and 180 days thereafter, detailing the amounts of funds obligated and expended by the Government of Iraq to meet the requirements of this section.

(4) Not later than 45 days after enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations detailing the amounts provided by the Government of Iraq since June 30, 2004, to assist Iraqi refugees in Syria, Jordan, and elsewhere, and the amount of such assistance the Government of Iraq plans to provide in fiscal year 2008. The Secretary shall work expeditiously with the Government of Iraq to establish an account within its annual budget sufficient to, at a minimum, match United States contributions on a dollar-for-dollar basis to organizations and programs for the purpose of assisting Iraqi refugees.

AFGHANISTAN

SEC. 1403. (a) ASSISTANCE FOR WOMEN AND GIRLS.—Funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan shall be made available, to the maximum extent practicable, through local Afghan provincial and municipal governments and Afghan civil society organizations and in a manner that emphasizes the participation of Afghan women and directly improves the economic, social and political status of Afghan women and girls.

(b) HIGHER EDUCATION.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are made available for education programs in Afghanistan, not less than 50 percent shall be made available to support higher education and vocational training programs in law, accounting, engineering, public administration, and other disciplines necessary to rebuild the country, in which the participation of women is emphasized.

(c) POST-OPERATIONS ASSISTANCE.—Of the funds appropriated by this chapter under the heading ''Economic Support Fund'' that are available for assistance for Afghanistan, not less than $2,000,000 shall be made available for a United States contribution to the North Atlantic Treaty Organization/International Security Assistance Force Post-Operations Humanitarian Relief Fund.

(d) ANTI-CORRUPTION.—Not later than 90 days after the enactment of this Act, the Secretary of State shall—

(1) submit a report to the Committees on Appropriations on actions being taken by the Government of Afghanistan to combat corruption within the national and provincial governments, including to remove and prosecute officials who have committed corrupt acts;

(2) submit a list to the Committees on Appropriations, in classified form if necessary, of senior Afghan officials who the Secretary has credible evidence to believe have committed corrupt acts; and

(3) certify and report to the Committees on Appropriations that effective mechanisms are in place to ensure that assistance to national government ministries and provincial governments will be properly accounted for.

WEST BANK

SEC. 1404. Not later than 90 days after the date of enactment of this Act and 180 days thereafter, the Secretary of State shall submit to the Committees on Appropriations a report on assistance provided by the United States for the training of Palestinian security forces, including detailed descriptions of

the training, curriculum, and equipment provided; an assessment of the training and the performance of forces after training has been completed; and a description of the assistance that has been pledged and provided to Palestinian security forces by other donors: *Provided*, That not later than 90 days after the date of enactment of this Act, the Secretary of State shall report to the Committees on Appropriations, in classified form if necessary, on the security strategy of the Palestinian Authority.

WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA

SEC. 1405. (a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Except as provided in subsection (b), the President may waive in whole or in part, with respect to North Korea, the application of any sanction contained in subparagraph (A), (B), (D) or (G) under section 102(b)(2) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)), for the purpose of providing assistance related to—

(A) the implementation and verification of the compliance by North Korea with its commitment, undertaken in the Joint Statement of September 19, 2005, to abandon all nuclear weapons and existing nuclear programs as part of the verifiable denuclearization of the Korean Peninsula; and

(B) the elimination of the capability of North Korea to develop, deploy, transfer, or maintain weapons of mass destruction and their delivery systems.

(2) LIMITATION.—The authority under paragraph (1) shall expire 5 years after the date of enactment of this Act.

(b) EXCEPTIONS.—

(1) LIMITED EXCEPTION RELATED TO CERTAIN SANCTIONS AND PROHIBITIONS.—The authority under subsection (a) shall not apply with respect to a sanction or prohibition under subparagraph (B) or (G) of section 102(b)(2) of the Arms Export Control Act, unless the President determines and certifies to the appropriate congressional committees that—

(A) all reasonable steps will be taken to assure that the articles or services exported or otherwise provided will not be used to improve the military capabilities of the armed forces of North Korea; and

(B) such waiver is in the national security interests of the United States.

(2) LIMITED EXCEPTION RELATED TO CERTAIN ACTIVITIES.—Unless the President determines and certifies to the appropriate congressional committees that using the authority under subsection (a) is vital to the national security interests of the United States, such authority shall not apply with respect to—

(A) an activity described in subparagraph (A) of section 102(b)(1) of the Arms Export Control Act that occurs after September 19, 2005, and before the date of the enactment of this Act;

(B) an activity described in subparagraph (C) of such section that occurs after September 19, 2005; or

(C) an activity described in subparagraph (D) of such section that occurs after the date of enactment of this Act.

(3) EXCEPTION RELATED TO CERTAIN ACTIVITIES OCCURRING AFTER DATE OF ENACTMENT.—The authority under subsection (a) shall not apply with respect to an activity described in subparagraph (A) or (B) of section 102(b)(1) of the Arms Export Control Act that occurs after the date of the enactment of this Act.

(4) LIMITED EXCEPTION RELATED TO LETHAL WEAPONS.—The authority under subsection (a) shall not apply with respect to any export of lethal defense articles that would be prevented by the application of section 102(b)(2) of the Arms Export Control Act.

(c) NOTIFICATIONS AND REPORTS.—

(1) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees in writing not later than 15 days before exercising the waiver authority under subsection (a).

(2) ANNUAL REPORT.—Not later than January 31, 2009, and annually thereafter, the President shall submit to the appropriate congressional committees a report that—

(A) lists all waivers issued under subsection (a) during the preceding year;

(B) describes in detail the progress that is being made in the implementation of the commitment undertaken by North Korea, in the Joint Statement of September 19, 2005, to abandon all nuclear weapons and existing nuclear programs as part of the verifiable denuclearization of the Korean Peninsula;

(C) discusses specifically any shortcomings in the implementation by North Korea of that commitment; and

(D) lists and describes the progress and shortcomings, in the preceding year, of all other programs promoting the elimination of the capability of North Korea to develop, deploy, transfer, or maintain weapons of mass destruction or their delivery systems.

(3) REPORT ON VERIFICATION MEASURES RELATING TO NORTH KOREA'S NUCLEAR PROGRAMS.—

(A) IN GENERAL.—Not later than 15 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report on verification measures relating to North Korea's nuclear programs under the Six-Party Talks Agreement of February 13, 2007, with specific focus on how such verification measures are defined under the Six-Party Talks Agreement and understood by the United States Government.

(B) MATTERS TO BE INCLUDED.—The report required under subsection (A) shall include, among other elements, a description of—

(i) how the United States will confirm that North Korea has ''provided a complete and correct declaration of all of its nuclear programs'';

(ii) how the United States will maintain a high and ongoing level of confidence that North Korea has fully met the terms of the Six-Party Talks Agreement relating to its nuclear programs;

(iii) any diplomatic agreement with North Korea regarding verification measures relating to North Korea's nuclear programs under the Six-Party Talks Agreement (other than implementing arrangements made during on-site operations); and

(iv) any significant and continuing disagreement with North Korea regarding verification measures relating to North Korea's nuclear programs under the Six-Party Talks Agreement.

(C) FORM.—The report required under subsection (A) shall be submitted in unclassified form, but may include a classified annex.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate; and

(2) the Committees on Appropriations, Armed Services, and Foreign Affairs of the House of Representatives.

MEXICO

SEC. 1406. (a) ASSISTANCE FOR MEXICO.—Of the funds appropriated under the headings ''International Narcotics Control and Law Enforcement'', ''Foreign Military Financing Program'', and ''Economic Support Fund'' in this chapter, not more than $352,000,000 of the funds appropriated in subchapter A and $48,000,000 of the funds appropriated in subchapter B may be made available for assistance for Mexico, only to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, anti-corruption, and rule of law activities, of which not less than $73,500,000 shall be used for judicial reform, institution building, anti-corruption, and rule of law activities: *Provided*, That none of the funds made available under this section shall be made available for budget support or as cash payments: *Provided further*, That not more than 45 days after enactment of this Act, and after consulting with relevant Mexican Government authorities, the Secretary of State shall report in writing to the Committees on Appropriations on the procedures in place to implement section 620J of the Foreign Assistance Act of 1961.

(b) ALLOCATION OF FUNDS.—Fifteen percent of the funds made available in this chapter for assistance for Mexico under the headings ''International Narcotics Control and Law Enforcement'' and ''Foreign Military Financing Program'' may not be obligated until the Secretary of State reports in writing to the Committees on Appropriations that the Government of Mexico is—

(1) improving the transparency and accountability of federal police forces and working with state and municipal authorities to improve the transparency and accountability of state and municipal police forces through mechanisms including establishing police complaints commissions with authority and independence to receive complaints and carry out effective investigations;

(2) establishing a mechanism for regular consultations among relevant Mexican Government authorities, Mexican human rights organizations and other relevant Mexican civil society organizations, to make recommendations concerning implementation of the Merida Initiative in accordance with Mexican and international law;

(3) ensuring that civilian prosecutors and judicial authorities are investigating and prosecuting, in accordance with Mexican and international law, members of the federal police and military forces who have been credibly alleged to have committed violations of human rights, and the federal police and military forces are fully cooperating with the investigations; and

(4) enforcing the prohibition, in accordance with Mexican and international law, on the use of testimony obtained through torture or other ill-treatment.

(c) EXCEPTION.—Notwithstanding subsection (b), of the funds appropriated by subchapter A for assistance for Mexico under the heading ''International Narcotics Control and Law Enforcement'', $3,000,000 shall be made available for technical and other assistance to enable the Government of Mexico to implement a unified national registry of federal, state, and municipal police officers.

(d) REPORT.—The report required in subsection (b) shall include a description of actions taken with respect to each requirement and the cases or issues brought to the attention of the Secretary of State for which the response or action taken has been inadequate.

(e) NOTIFICATION.—Funds made available for Mexico by this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(f) SPENDING PLAN.—Not later than 45 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a detailed spending plan for funds appropriated or otherwise made available for Mexico by this chapter, which shall include a strategy, developed after consulting with relevant Mexican Government authorities, for combating drug trafficking and related violence and organized crime, judicial reform, institution

building, anti-corruption, and rule of law activities, with concrete goals, actions to be taken, budget proposals, and anticipated results.

CENTRAL AMERICA

SEC. 1407. (a) ASSISTANCE FOR THE COUNTRIES OF CENTRAL AMERICA.—Of the funds appropriated in subchapter A under the headings ''International Narcotics Control and Law Enforcement'', ''Foreign Military Financing Program'', ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', and ''Economic Support Fund'', $65,000,000 may be made available for assistance for the countries of Central America, Haiti, and the Dominican Republic only to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, anti-corruption, rule of law activities, and maritime security: *Provided*, That of the funds appropriated under the heading ''Economic Support Fund'', $25,000,000 shall be made available for an Economic and Social Development Fund for Central America, of which $20,000,000 shall be made available through the United States Agency for International Development and $5,000,000 shall be made available through the Department of State for educational exchange programs: *Provided further*, That of the funds appropriated in subchapter A under the heading ''International Narcotics Control and Law Enforcement'', $2,500,000 shall be made available for assistance for Haiti, $2,500,000 shall be made available for assistance for the Dominican Republic, and $1,000,000 shall be made available for a United States contribution to the International Commission Against Impunity in Guatemala: *Provided further*, That none of the funds shall be made available for budget support or as cash payments: *Provided further*, That not more than 45 days after enactment of this Act, the Secretary of State shall report in writing to the Committees on Appropriations on the procedures in place to implement section 620J of the Foreign Assistance Act of 1961.

(b) ALLOCATION OF FUNDS.—Fifteen percent of the funds made available by this chapter for assistance for the countries of Central America, Haiti and the Dominican Republic under the headings ''International Narcotics Control and Law Enforcement'' and ''Foreign Military Financing Program'' may not be obligated until the Secretary of State reports in writing to the Committees on Appropriations that the government of such country is—

(1) establishing police complaints commissions with authority and independence to receive complaints and carry out effective investigations;

(2) implementing reforms to improve the capacity and ensure the independence of the judiciary; and

(3) investigating and prosecuting members of the federal police and military forces who have been credibly alleged to have committed violations of human rights.

(c) REPORT.—The report required in subsection (b) shall include actions taken with respect to each requirement and the cases or issues brought to the attention of the Secretary of State for which the response or action taken has been inadequate.

(d) NOTIFICATION.—Funds made available for assistance for the countries of Central America, Haiti and the Dominican Republic in subchapter A shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(e) SPENDING PLAN.—Not later than 45 days after enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a detailed spending plan for funds appropriated or otherwise made available for the countries of Central America, Haiti and the Dominican Republic in subchapter A, which shall include a strategy for combating drug trafficking and related violence and organized crime, judicial reform, institution building, anti-corruption, and rule of law activities, with concrete goals, actions to be taken, budget proposals and anticipated results.

(f) DEFINITION.—For the purposes of this section, the term ''countries of Central America'' means Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

BUYING POWER MAINTENANCE ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

SEC. 1408. (a) Of the funds appropriated under the heading ''Diplomatic and Consular Programs'' and allocated by section 3810 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28), $26,000,000 shall be transferred to and merged with funds in the ''Buying Power Maintenance Account'': *Provided*, That of the funds made available by this chapter up to an additional $74,000,000 may be transferred to and merged with the ''Buying Power Maintenance Account'', subject to the regular notification procedures of the Committees on Appropriations and in accordance with the procedures in section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706). Any funds transferred pursuant to this section shall be available, without fiscal year limitation, pursuant to section 24 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696).

(b) Section 24(b)(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(b)(7)) is amended by amending subparagraph (D) to read as follows:

''(D) The authorities contained in this paragraph may be exercised only with respect to funds appropriated or otherwise made available after fiscal year 2008.''.

(c) The Broadcasting Board of Governors may transfer funds into its Buying Power Maintenance Account, notwithstanding the requirement that such funds be provided in advance in appropriations Acts. The authority in this subsection may be exercised only with respect to funds appropriated or otherwise made available after fiscal year 2008.

SERBIA

SEC. 1409. Of the funds made available under the heading ''Assistance for Eastern Europe and the Baltic States'' by title III of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161), an amount equivalent to the unpaid costs of damage to the United States Embassy in Belgrade, Serbia, as estimated by the Secretary of State, resulting from the February 21, 2008 attack on such Embassy, shall be withheld from obligation for assistance for the central government of Serbia if the Secretary of State reports to the Committees on Appropriations that the Government of Serbia has failed to provide full compensation to the Department of State for damages to the United States Embassy resulting from the February 21, 2008 attack on such embassy. Section 8002 of this Act shall not apply to this section.

RESCISSIONS

SEC. 1410. (a) WORLD FOOD PROGRAM.—

(1) For an additional amount for a contribution to the World Food Program to assist farmers in countries affected by food shortages to increase crop yields, notwithstanding any other provision of law, $20,000,000, to remain available until expended.

(2) Of the funds appropriated under the heading ''Andean Counterdrug Initiative'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $20,000,000 are rescinded.

(b) SUDAN.—

(1) For an additional amount for ''International Narcotics Control and Law Enforcement'', $10,000,000, for assistance for Sudan to support formed police units, to remain available until September 30, 2009, and subject to prior consultation with the Committees on Appropriations.

(2) Of the funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $10,000,000 are rescinded.

(c) RESCISSION.—Of the unobligated balances of funds appropriated for ''Iraq Relief and Reconstruction Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $50,000,000 are rescinded.

(d) EXCEPTION.—Section 8002 of this Act shall not apply to subsections (a) and (b) of this section.

DARFUR PEACEKEEPING

SEC. 1411. Funds appropriated under the headings ''Foreign Military Financing Program'' and ''Peacekeeping Operations'' by the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161) and by prior Acts making appropriations for foreign operations, export financing, and related programs may be used to transfer, equip, upgrade, refurbish or lease helicopters or related equipment necessary to support the operations of the African Union/United Nations peacekeeping operation in Darfur, Sudan, that was established pursuant to United Nations Security Council Resolution 1769. The President may utilize the authority of sections 506 or 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j) or section 61 of the Arms Export Control Act (22 U.S.C. 2796) in order to provide such support, notwithstanding any other provision of law except for sections 502B(a)(2), 620A and 620J of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2), 2371, 2378d) and section 40A of the Arms Export Control Act (22 U.S.C. 2780). Any exercise of the authorities provided by section 506 of the Foreign Assistance Act pursuant to this section may include the authority to acquire helicopters by contract.

TIBET

SEC. 1412. (a) Of the funds appropriated by this Act or prior Acts making appropriations for the Department of State, foreign operations and related programs under the headings ''Diplomatic and Consular Programs'' and ''Embassy Security, Construction, and Maintenance'', up to $5,000,000 shall be made available to establish a United States Consulate in Lhasa, Tibet.

(b) The Department of State should not consent to opening a consular post in the United States by the People's Republic of China until such time as the People's Republic of China consents to opening a United States consular post in Lhasa, Tibet.

JORDAN

(INCLUDING RESCISSION OF FUNDS)

SEC. 1413. (a) For an additional amount for ''Economic Support Fund'' for assistance for Jordan, $25,000,000, to remain available until September 30, 2009.

(b) For an additional amount for ''Foreign Military Financing Program'' for assistance for Jordan, $33,000,000, to remain available until September 30, 2009.

(c) Of the unobligated balances of funds appropriated under the heading ''Millennium

Challenge Corporation'' in prior Acts making appropriations for foreign operations, export financing, and related programs, $58,000,000 are rescinded.

(d) Section 8002 of this Act shall not apply to this section.

ALLOCATIONS

SEC. 1414. (a) Funds provided by this chapter for the following accounts shall be made available for programs and countries in the amounts contained in the respective tables included in the explanatory statement printed in the Congressional Record accompanying this Act:

''Diplomatic and Consular Programs''

''Economic Support Fund''.

(b) Any proposed increases or decreases to the amounts contained in such tables in the explanatory statement printed in the Congressional Record accompanying this Act shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

REPROGRAMMING AUTHORITY

SEC. 1415. Notwithstanding any other provision of law, to include minimum funding requirements or funding directives, funds made available under the headings ''Development Assistance'' and ''Economic Support Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs may be made available to address critical food shortages, subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

SPENDING PLANS AND NOTIFICATION PROCEDURES

SEC. 1416. (a) SUBCHAPTER A SPENDING PLAN.—Not later than 45 days after the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations a report detailing planned expenditures for funds appropriated under the headings in subchapter A, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(b) SUBCHAPTER B SPENDING PLAN.—The Secretary of State shall submit to the Committees on Appropriations not later than November 1, 2008, and prior to the initial obligation of funds, a detailed spending plan for funds appropriated or otherwise made available in subchapter B, except for funds appropriated under the headings ''International Disaster Assistance'', ''Migration and Refugee Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund''.

(c) NOTIFICATION.—Funds made available in this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

TERMS AND CONDITIONS

SEC. 1417. Unless otherwise provided for in this Act, funds appropriated or otherwise made available by this chapter shall be available under the authorities and conditions provided in the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (division J of Public Law 110–161), except that section 699K of such Act shall not apply to funds in this chapter.

TITLE II—DOMESTIC MATTERS

CHAPTER 1—FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $150,000,000, to remain available until September 30, 2009: *Provided*, That of the amount provided: (1) $66,792,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $28,019,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $12,736,000 shall be for the Center for Biologics Evaluation and Research and related field activities in the Office of Regulatory Affairs; (4) $6,057,000 shall be for the Center for Veterinary Medicine and related field activities in the Office of Regulatory Affairs; (5) $20,094,000 shall be for the Center for Devices and Radiological Health and related field activities in the Office of Regulatory Affairs; (6) $3,396,000 shall be for the National Center for Toxicological Research; and (7) $12,906,000 shall be for other activities, including the Office of the Commissioner, the Office of Scientific and Medical Programs; the Office of Policy, Planning and Preparedness; the Office of International and Special Programs; the Office of Operations; and central services for these offices.

CHAPTER 2—COMMERCE, JUSTICE, AND SCIENCE

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Periodic Censuses and Programs'', $210,000,000, to remain available until expended, for necessary expenses related to the 2010 Decennial Census: *Provided*, That not less than $3,000,000 shall be transferred to the ''Office of Inspector General'' at the Department of Commerce for necessary expenses associated with oversight activities of the 2010 Decennial Census: *Provided further*, That not less than $1,000,000 shall be used only for a reimbursable agreement with the Defense Contract Management Agency to provide continuing contract management oversight of the 2010 Decennial Census.

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $178,000,000, to remain available until September 30, 2008.

OTHER AGENCIES

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SCIENCE, AERONAUTICS AND EXPLORATION

For an additional amount for ''Science, Aeronautics and Exploration'', $62,500,000.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For an additional amount for ''Research and Related Activities'', $22,500,000, of which $5,000,000 shall be available solely for activities authorized by section 7002(b)(2)(A)(iv) of Public Law 110–69.

EDUCATION AND HUMAN RESOURCES

For an additional amount for ''Education and Human Resources'', $40,000,000: *Provided*, That of the amount provided, $20,000,000 shall be available for activities authorized by section 10 of the National Science Foundation Authorization Act of 2002 (42 U.S.C. 1862n–1) and $20,000,000 shall be available for activities authorized by section 10A of the National Science Foundation Authorization Act of 2002 (42 U.S.C. 1862n–1a).

CHAPTER 3—ENERGY

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

SCIENCE

For an additional amount for ''Science'', $62,500,000, to remain available until expended.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL CLEANUP

For an additional amount for ''Defense Environmental Cleanup'', $62,500,000, to remain available until expended.

CHAPTER 4—LABOR AND HEALTH AND HUMAN SERVICES

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For an additional amount for ''State Unemployment Insurance and Employment Service Operations'' for grants to the States for the administration of State unemployment insurance, $110,000,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund, to be used for unemployment insurance workloads experienced by the States through September 30, 2008, which shall be available for Federal obligation through December 31, 2008.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Office of the Director'', $150,000,000, which shall be transferred to the Institutes and Centers of the National Institutes of Health and to the Common Fund established under section 402A(c)(1) of the Public Health Service Act in proportion to the appropriations otherwise made to such Institutes, Centers, and Common Fund for fiscal year 2008: *Provided*, That these funds shall be used to support additional scientific research and shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the National Institutes of Health: *Provided further*, That none of these funds may be transferred to ''National Institutes of Health–Buildings and Facilities'', the Center for Scientific Review, the Center for Information Technology, the Clinical Center, the Global Fund for HIV/AIDS, Tuberculosis and Malaria, or the Office of the Director (except for the transfer to the Common Fund).

CHAPTER 5—LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Annette Lantos, widow of Tom Lantos, late a Representative from the State of California, $169,300: *Provided*, That section 8002 shall not apply to this appropriation.

TITLE III—NATURAL DISASTER RELIEF AND RECOVERY

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

For an additional amount for the ''Emergency Conservation Program'', $89,413,000, to remain available until expended.

NATURAL RESOURCES CONSERVATION SERVICE

EMERGENCY WATERSHED PROTECTION PROGRAM

For an additional amount for the ''Emergency Watershed Protection Program'', $390,464,000, to remain available until expended.

CHAPTER 2—COMMERCE

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Pursuant to section 703 of the Public Works and Economic Development Act (42 U.S.C. 3233), for an additional amount for ''Economic Development Assistance Programs'', for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in areas covered by a declaration of major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) as a result of recent natural disasters, $100,000,000, to remain available until expended.

CHAPTER 3—CORPS OF ENGINEERS

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION

For an additional amount for ''Construction'', for necessary expenses to address emergency situations at Corps of Engineers projects and rehabilitate and repair damages to Corps projects caused by recent natural disasters, $61,700,000, to remain available until expended.

For an additional amount for ''Construction'', for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, $2,835,000,000, to become available on October 1, 2008, and to remain available until expended: *Provided*, That the Secretary of the Army is directed to use $1,997,000,000 of the funds provided herein to modify authorized projects in southeast Louisiana to provide hurricane, storm and flood damage reduction in the greater New Orleans and surrounding areas to the levels of protection necessary to achieve the certification required for participation in the National Flood Insurance Program under the base flood elevations current at the time of enactment of this Act, and shall use $1,077,000,000 of those funds for the Lake Pontchartrain and Vicinity project and $920,000,000 of those funds for the West Bank and Vicinity project: *Provided further*, That, in addition, $838,000,000 of the funds provided herein shall be for elements of Southeast Louisiana Urban Drainage project within the geographic perimeter of the West Bank and Vicinity and Lake Pontchartrain and Vicinity projects, to provide for interior drainage of runoff from rainfall with a ten percent annual exceedance probability: *Provided further*, That the amounts provided herein shall be subject to a 65 percent Federal / 35 percent non-Federal cost share for the specified purposes: *Provided further*, That beginning not later than 60 days after the date of enactment of this Act, the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide monthly reports to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds: *Provided further*, That the expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that is necessary to accomplish the established goals is authorized subject to the approval of the House and Senate Committees on Appropriations.

MISSISSIPPI RIVER AND TRIBUTARIES

For an additional amount for ''Mississippi River and Tributaries'' for recovery from natural disasters, $17,590,000, to remain available until expended, to repair damages to Federal projects caused by recent natural disasters.

OPERATION AND MAINTENANCE

For an additional amount for ''Operation and Maintenance'' to dredge navigation channels and repair other Corps projects related to natural disasters, $298,344,000, to remain available until expended: *Provided*, That the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide a monthly report to the House and Senate Committees on Appropriations detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for ''Flood Control and Coastal Emergencies'', as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), for necessary expenses to prepare for flood, hurricane and other natural disasters and support emergency operations, repair and other activities in response to flood and hurricane emergencies as authorized by law, $226,854,800, to remain available until expended.

For an additional amount for ''Flood Control and Coastal Emergencies'', as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), for necessary expenses relating to the consequences of Hurricane Katrina and other hurricanes of the 2005 season, $2,926,000,000, to become available on October 1, 2008, and to remain available until expended: *Provided*, That funds provided herein shall be used to reduce the risk of hurricane and storm damages to the greater New Orleans metropolitan area, at full Federal expense, for the following: $704,000,000 shall be used to modify the 17th Street, Orleans Avenue, and London Avenue drainage canals and install pumps and closure structures at or near the lakefront; $90,000,000 shall be used for storm-proofing interior pump stations to ensure the operability of the stations during hurricanes, storms, and high water events; $459,000,000 shall be used for armoring critical elements of the New Orleans hurricane and storm damage reduction system; $53,000,000 shall be used to improve protection at the Inner Harbor Navigation Canal; $456,000,000 shall be used to replace or modify certain non-Federal levees in Plaquemines Parish to incorporate the levees into the existing New Orleans to Venice hurricane protection project; $412,000,000 shall be used for reinforcing or replacing flood walls, as necessary, in the existing Lake Pontchartrain and Vicinity project and the existing West Bank and Vicinity project to improve the performance of the systems; $393,000,000 shall be used for repair and restoration of authorized protections and floodwalls; and $359,000,000 shall be to complete the authorized protection for the Lake Ponchartrain and Vicinity, West Bank and Vicinity, and the New Orleans to Venice projects: *Provided further*, That the Secretary of the Army, within available funds, is directed to continue the NEPA alternative evaluation of all options with particular attention to Options 1, 2 and 2a of the report to Congress, dated August 30, 2007, provided in response to the requirements of chapter 3, section 4303 of Public Law 110–28, and within 90 days of enactment of this Act provide the House and Senate Committees on Appropriations cost estimates to implement Options 1, 2 and 2a of the above cited report: *Provided further*, That beginning not later than 60 days after the date of enactment of this Act, the Chief of Engineers, acting through the Assistant Secretary of the Army for Civil Works, shall provide monthly reports to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds: *Provided further*, That any project using funds appropriated under this heading shall be initiated only after non-Federal interests have entered into binding agreements with the Assistant Secretary of the Army for Civil Works requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of completed elements and to hold and save the United States free from damages due to the construction, operation, and maintenance of the project, except for damages due to the fault or negligence of the United States or its contractors: *Provided further*, That the expenditure of funds as provided above may be made without regard to individual amounts or purposes except that any reallocation of funds that is necessary to accomplish the established goals is authorized subject to the approval of the House and Senate Committees on Appropriations.

EXPENSES

For an additional amount for ''Expenses'' for increased efforts by the Mississippi Valley Division to oversee emergency response and recovery activities related to the consequences of hurricanes in the Gulf of Mexico in 2005, $1,500,000 to remain available until expended.

CHAPTER 4—SMALL BUSINESS

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans authorized by section 7(b) of the Small Business Act, for necessary expenses related to flooding in Midwestern States and other natural disasters, $164,939,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for expenses to carry out the direct loan program in response to flooding in Midwestern States and other natural disasters, including onsite assistance to disaster victims, increased staff at call centers, processing centers, and field inspections teams, and attorneys to assist in loan closings, $101,814,000, to remain available until expended, of which $1,000,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be paid to appropriations for the Office of Inspector General; of which $94,814,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, which may be paid to appropriations for Salaries and Expenses; and of which $6,000,000 is for indirect administrative expenses, which may be paid to appropriations for Salaries and Expenses.

CHAPTER 5—FEMA DISASTER RELIEF

DEPARTMENT OF HOMELAND SECURITY

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For an additional amount for ''Disaster Relief'', $897,000,000, to remain available until expended.

CHAPTER 6—HOUSING AND URBAN DEVELOPMENT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PERMANENT SUPPORTIVE HOUSING

For the provision of 3,000 units of permanent supportive housing as referenced in the Road Home Program of the Louisiana Recovery Authority approved by the Secretary of Housing and Urban Development, $73,000,000, to remain available until expended, of which $20,000,000 shall be for project-based vouchers under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)), including administrative expenses not to exceed $3,000,000, and $50,000,000 shall be for

grants under the Shelter Plus Care program as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403 et seq.): *Provided*, That the Secretary of Housing and Urban Development shall, upon request, make funds available under this paragraph to the State of Louisiana or its designee or designees, upon request: *Provided further*, That notwithstanding any other provision of law, for the purpose of administering the amounts provided under this paragraph, the State of Louisiana or its designee or designees may act in all respects as a public housing agency as defined in section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)): *Provided further*, That subparagraphs (B) and (D) of section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) shall not apply with respect to vouchers made available under this paragraph.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for ''Community Development Fund'', for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in areas covered by a declaration of major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) as a result of recent natural disasters, $300,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further*, That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further*, That each State may use up to five percent of its allocation for administrative costs: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development shall waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute, as modified: *Provided further*, That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further*, That the Secretary shall notify the Committees on Appropriations on any proposed allocation of any funds and any related waivers made pursuant to these provisions under this heading no later than 5 days before such waiver is made: *Provided further*, That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report quarterly to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits.

TITLE IV—EMERGENCY UNEMPLOYMENT COMPENSATION

FEDERAL-STATE AGREEMENTS

SEC. 4001. (a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before May 1, 2007);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (except as provided under subsection (e)); and

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for emergency unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an emergency unemployment compensation account is established under section 4002 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of emergency unemployment compensation prior to extended compensation to individuals who otherwise meet the requirements of this section.

(f) UNAUTHORIZED ALIENS INELIGIBLE.—A State shall require as a condition of eligibility for emergency unemployment compensation under this Act that each alien who receives such compensation must be legally authorized to work in the United States, as defined for purposes of the Federal Unemployment Tax Act (26 U.S.C. 3301 et seq.). In determining whether an alien meets the requirements of this subsection, a State must follow the procedures provided in section 1137(d) of the Social Security Act (42 U.S.C. 1320b–7(d)).

EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT

SEC. 4002. (a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 4003. (a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such

compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

FINANCING PROVISIONS

SEC. 4004. (a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the Government Accountability Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

FRAUD AND OVERPAYMENTS

SEC. 4005. (a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

DEFINITIONS

SEC. 4006. In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

APPLICABILITY

SEC. 4007. (a) IN GENERAL.—Except as provided in subsection (b), an agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending on or before March 31, 2009.

(b) TRANSITION FOR AMOUNT REMAINING IN ACCOUNT.—

(1) IN GENERAL.—Subject to paragraph (2), in the case of an individual who has amounts remaining in an account established under section 4002 as of the last day of the last week (as determined in accordance with the applicable State law) ending on or before March 31, 2009, emergency unemployment compensation shall continue to be payable to such individual from such amounts for any week beginning after such last day for which the individual meets the eligibility requirements of this title.

(2) LIMIT ON COMPENSATION.—No compensation shall be payable by reason of paragraph (1) for any week beginning after June 30, 2009.

TITLE V—VETERANS EDUCATIONAL ASSISTANCE

SHORT TITLE

SEC. 5001. This title may be cited as the ''Post-9/11 Veterans Educational Assistance Act of 2008''.

FINDINGS

SEC. 5002. Congress makes the following findings:

(1) On September 11, 2001, terrorists attacked the United States, and the brave members of the Armed Forces of the United States were called to the defense of the Nation.

(2) Service on active duty in the Armed Forces has been especially arduous for the members of the Armed Forces since September 11, 2001.

(3) The United States has a proud history of offering educational assistance to millions of veterans, as demonstrated by the many ''G.I. Bills'' enacted since World War II. Educational assistance for veterans helps reduce the costs of war, assist veterans in readjusting to civilian life after wartime service, and boost the United States economy, and has a positive effect on recruitment for the Armed Forces.

(4) The current educational assistance program for veterans is outmoded and designed for peacetime service in the Armed Forces.

(5) The people of the United States greatly value military service and recognize the difficult challenges involved in readjusting to civilian life after wartime service in the Armed Forces.

(6) It is in the national interest for the United States to provide veterans who serve on active duty in the Armed Forces after September 11, 2001, with enhanced educational assistance benefits that are worthy of such service and are commensurate with the educational assistance benefits provided by a grateful Nation to veterans of World War II.

EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE ARMED FORCES WHO SERVE AFTER SEPTEMBER 11, 2001

SEC. 5003. (a) EDUCATIONAL ASSISTANCE AUTHORIZED.—

(1) IN GENERAL.—Part III of title 38, United States Code, is amended by inserting after chapter 32 the following new chapter:

''CHAPTER 33—POST–9/11 EDUCATIONAL ASSISTANCE

''SUBCHAPTER I—DEFINITIONS

''Sec.

''3301. Definitions.

''SUBCHAPTER II—EDUCATIONAL ASSISTANCE

''3311. Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement.

''3312. Educational assistance: duration.

''3313. Educational assistance: amount; payment.

''3314. Tutorial assistance.

''3315. Licensure and certification tests.

''3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service.

''3317. Public-private contributions for additional educational assistance.

''3318. Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education.
''3319. Authority to transfer unused education benefits to family members.

''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

''3321. Time limitation for use of and eligibility for entitlement.
''3322. Bar to duplication of educational assistance benefits.
''3323. Administration.
''3324. Allocation of administration and costs.

''SUBCHAPTER I—DEFINITIONS

''§ 3301. Definitions

''In this chapter:

''(1) The term 'active duty' has the meanings as follows (subject to the limitations specified in sections 3002(6) and 3311(b)):

''(A) In the case of members of the regular components of the Armed Forces, the meaning given such term in section 101(21)(A).

''(B) In the case of members of the reserve components of the Armed Forces, service on active duty under a call or order to active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10.

''(2) The term 'entry level and skill training' means the following:

''(A) In the case of members of the Army, Basic Combat Training and Advanced Individual Training.

''(B) In the case of members of the Navy, Recruit Training (or Boot Camp) and Skill Training (or so-called 'A' School).

''(C) In the case of members of the Air Force, Basic Military Training and Technical Training.

''(D) In the case of members of the Marine Corps, Recruit Training and Marine Corps Training (or School of Infantry Training).

''(E) In the case of members of the Coast Guard, Basic Training.

''(3) The term 'program of education' has the meaning given such term in section 3002, except to the extent otherwise provided in section 3313.

''(4) The term 'Secretary of Defense' means the Secretary of Defense, except that the term means the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy.

''SUBCHAPTER II—EDUCATIONAL ASSISTANCE

''§ 3311. Educational assistance for service in the Armed Forces commencing on or after September 11, 2001: entitlement

''(a) ENTITLEMENT.—Subject to subsections (d) and (e), each individual described in subsection (b) is entitled to educational assistance under this chapter.

''(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual as follows:

''(1) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 36 months on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty; or

''(ii) is discharged or released from active duty as described in subsection (c).

''(2) An individual who—

''(A) commencing on or after September 11, 2001, serves at least 30 continuous days on active duty in the Armed Forces; and

''(B) after completion of service described in subparagraph (A), is discharged or released from active duty in the Armed Forces for a service-connected disability.

''(3) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 30 months, but less than 36 months, on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 36 months; or

''(ii) before completion of service on active duty of an aggregate of 36 months, is discharged or released from active duty as described in subsection (c).

''(4) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 24 months, but less than 30 months, on active duty in the Armed Forces (including service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 30 months; or

''(ii) before completion of service on active duty of an aggregate of 30 months, is discharged or released from active duty as described in subsection (c).

''(5) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 18 months, but less than 24 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 24 months; or

''(ii) before completion of service on active duty of an aggregate of 24 months, is discharged or released from active duty as described in subsection (c).

''(6) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 12 months, but less than 18 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 18 months; or

''(ii) before completion of service on active duty of an aggregate of 18 months, is discharged or released from active duty as described in subsection (c).

''(7) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 6 months, but less than 12 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 12 months; or

''(ii) before completion of service on active duty of an aggregate of 12 months, is discharged or released from active duty as described in subsection (c).

''(8) An individual who—

''(A) commencing on or after September 11, 2001, serves an aggregate of at least 90 days, but less than 6 months, on active duty in the Armed Forces (excluding service on active duty in entry level and skill training); and

''(B) after completion of service described in subparagraph (A)—

''(i) continues on active duty for an aggregate of less than 6 months; or

''(ii) before completion of service on active duty of an aggregate of 6 months, is discharged or released from active duty as described in subsection (c).

''(c) COVERED DISCHARGES AND RELEASES.—A discharge or release from active duty of an individual described in this subsection is a discharge or release as follows:

''(1) A discharge from active duty in the Armed Forces with an honorable discharge.

''(2) A release after service on active duty in the Armed Forces characterized by the Secretary concerned as honorable service and placement on the retired list, transfer to the Fleet Reserve or Fleet Marine Corps Reserve, or placement on the temporary disability retired list.

''(3) A release from active duty in the Armed Forces for further service in a reserve component of the Armed Forces after service on active duty characterized by the Secretary concerned as honorable service.

''(4) A discharge or release from active duty in the Armed Forces for—

''(A) a medical condition which preexisted the service of the individual as described in the applicable paragraph of subsection (b) and which the Secretary determines is not service-connected;

''(B) hardship; or

''(C) a physical or mental condition that was not characterized as a disability and did not result from the individual's own willful misconduct but did interfere with the individual's performance of duty, as determined by the Secretary concerned in accordance with regulations prescribed by the Secretary of Defense.

''(d) PROHIBITION ON TREATMENT OF CERTAIN SERVICE AS PERIOD OF ACTIVE DUTY.—The following periods of service shall not be considered a part of the period of active duty on which an individual's entitlement to educational assistance under this chapter is based:

''(1) A period of service on active duty of an officer pursuant to an agreement under section 2107(b) of title 10.

''(2) A period of service on active duty of an officer pursuant to an agreement under section 4348, 6959, or 9348 of title 10.

''(3) A period of service that is terminated because of a defective enlistment and induction based on—

''(A) the individual's being a minor for purposes of service in the Armed Forces;

''(B) an erroneous enlistment or induction; or

''(C) a defective enlistment agreement.

''(e) TREATMENT OF INDIVIDUALS ENTITLED UNDER MULTIPLE PROVISIONS.—In the event an individual entitled to educational assistance under this chapter is entitled by reason of both paragraphs (4) and (5) of subsection (b), the individual shall be treated as being entitled to educational assistance under this chapter by reason of paragraph (5) of subsection (b).

''§ 3312. Educational assistance: duration

''(a) IN GENERAL.—Subject to section 3695 and except as provided in subsections (b) and (c), an individual entitled to educational assistance under this chapter is entitled to a number of months of educational assistance under section 3313 equal to 36 months.

''(b) CONTINUING RECEIPT.—The receipt of educational assistance under section 3313 by an individual entitled to educational assistance under this chapter is subject to the provisions of section 3321(b)(2).

''(c) DISCONTINUATION OF EDUCATION FOR ACTIVE DUTY.—

''(1) IN GENERAL.—Any payment of educational assistance described in paragraph (2) shall not—

''(A) be charged against any entitlement to educational assistance of the individual concerned under this chapter; or

''(B) be counted against the aggregate period for which section 3695 limits the individual's receipt of educational assistance under this chapter.

''(2) DESCRIPTION OF PAYMENT OF EDUCATIONAL ASSISTANCE.—Subject to paragraph (3), the payment of educational assistance described in this paragraph is the payment of such assistance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

''(A)(i) in the case of an individual not serving on active duty, had to discontinue such course pursuit as a result of being called or ordered to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10; or

''(ii) in the case of an individual serving on active duty, had to discontinue such course pursuit as a result of being ordered to a new duty location or assignment or to perform an increased amount of work; and

''(B) failed to receive credit or lost training time toward completion of the individual's approved education, professional, or vocational objective as a result of having to discontinue, as described in subparagraph (A), the individual's course pursuit.

''(3) PERIOD FOR WHICH PAYMENT NOT CHARGED.—The period for which, by reason of this subsection, educational assistance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the portion of the period of enrollment in the course or courses from which the individual failed to receive credit or with respect to which the individual lost training time, as determined under paragraph (2)(B).

''§ 3313. Educational assistance: amount; payment

''(a) PAYMENT.—The Secretary shall pay to each individual entitled to educational assistance under this chapter who is pursuing an approved program of education (other than a program covered by subsections (e) and (f)) the amounts specified in subsection (c) to meet the expenses of such individual's subsistence, tuition, fees, and other educational costs for pursuit of such program of education.

''(b) APPROVED PROGRAMS OF EDUCATION.—A program of education is an approved program of education for purposes of this chapter if the program of education is offered by an institution of higher learning (as that term is defined in section 3452(f)) and is approved for purposes of chapter 30 (including approval by the State approving agency concerned).

''(c) AMOUNT OF EDUCATIONAL ASSISTANCE.—The amounts payable under this subsection for pursuit of an approved program of education are amounts as follows:

''(1) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(1) or 3311(b)(2), amounts as follows:

''(A) An amount equal to the established charges for the program of education, except that the amount payable under this subparagraph may not exceed the maximum amount of established charges regularly charged in-State students for full-time pursuit of approved programs of education for undergraduates by the public institution of higher education offering approved programs of education for undergraduates in the State in which the individual is enrolled that has the highest rate of regularly-charged established charges for such programs of education among all public institutions of higher education in such State offering such programs of education.

''(B) A monthly stipend in an amount as follows:

''(i) For each month the individual pursues the program of education (other than, in the case of assistance under this section only, a program of education offered through distance learning), a monthly housing stipend amount equal to the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher education at which the individual is enrolled.

''(ii) For the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

''(I) $1,000, multiplied by

''(II) the fraction which is the portion of a complete academic year under the program of education that such quarter, semester, or term constitutes.

''(2) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(3), amounts equal to 90 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(3) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(4), amounts equal to 80 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(4) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(5), amounts equal to 70 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(5) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(6), amounts equal to 60 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(6) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(7), amounts equal to 50 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(7) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(8), amounts equal to 40 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

''(d) FREQUENCY OF PAYMENT.—

''(1) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under subsection (c)(1)(A), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(2) MONTHLY PAYMENTS.—Payment of the amount payable under subsection (c)(1)(B), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made on a monthly basis.

''(3) REGULATIONS.—The Secretary shall prescribe in regulations methods for determining the number of months (including fractions thereof) of entitlement of an individual to educational assistance this chapter that are chargeable under this chapter for an advance payment of amounts under paragraphs (1) and (2) for pursuit of a program of education on a quarter, semester, term, or other basis.

''(e) PROGRAMS OF EDUCATION PURSUED ON ACTIVE DUTY.—

''(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education while on active duty.

''(2) AMOUNT OF ASSISTANCE.—The amount of educational assistance payable under this chapter to an individual pursuing a program of education while on active duty is the lesser of—

''(A) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(B) the amount of the charges of the educational institution as elected by the individual in the manner specified in section 3014(b)(1)

''(3) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amount payable under paragraph (2) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at the rate of one month for each such month.

''(f) PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.—

''(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education on half-time basis or less.

''(2) AMOUNT OF ASSISTANCE.—The educational assistance payable under this chapter to an individual pursuing a program of education on half-time basis or less is the amounts as follows:

''(A) The amount equal to the lesser of—

''(i) the established charges which similarly circumstanced nonveterans enrolled in the program of education involved would be required to pay; or

''(ii) the maximum amount that would be payable to the individual for the program of education under paragraph (1)(A) of subsection (c), or under the provisions of paragraphs (2) through (7) of subsection (c) applicable to the individual, for the program of education if the individual were entitled to amounts for the program of education under subsection (c) rather than this subsection.

''(B) A stipend in an amount equal to the amount of the appropriately reduced amount of the lump sum amount for books, supplies, equipment, and other educational costs otherwise payable to the individual under subsection (c).

''(3) QUARTER, TERM, OR SEMESTER PAYMENTS.—Payment of the amounts payable to an individual under paragraph (2) for pursuit of a program of education on half-time basis or less shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at a percentage of a month equal to—

''(A) the number of course hours borne by the individual in pursuit of the program of education involved, divided by

''(B) the number of course hours for full-time pursuit of such program of education.

''(g) PAYMENT OF ESTABLISHED CHARGES TO EDUCATIONAL INSTITUTIONS.—Amounts payable under subsections (c)(1)(A) (and of similar amounts payable under paragraphs (2) through (7) of subsection (c)), (e)(2), and (f)(2)(A) shall be paid directly to the educational institution concerned.

''(h) ESTABLISHED CHARGES DEFINED.—

''(1) IN GENERAL.—In this section, the term 'established charges', in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay.

''(2) BASIS OF DETERMINATION.—Established charges shall be determined for purposes of this subsection on the following basis:

''(A) In the case of an individual enrolled in a program of education offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the term, quarter, or semester.

''(B) In the case of an individual enrolled in a program of education not offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the entire program of education.

''§ 3314. Tutorial assistance

''(a) IN GENERAL.—Subject to subsection (b), an individual entitled to educational assistance under this chapter shall also be entitled to benefits provided an eligible veteran under section 3492.

''(b) CONDITIONS.—

''(1) IN GENERAL.—The provision of benefits under subsection (a) shall be subject to the conditions applicable to an eligible veteran under section 3492.

''(2) CERTIFICATION.—In addition to the conditions specified in paragraph (1), benefits may not be provided to an individual under subsection (a) unless the professor or other individual teaching, leading, or giving the course for which such benefits are provided certifies that—

''(A) such benefits are essential to correct a deficiency of the individual in such course; and

''(B) such course is required as a part of, or is prerequisite or indispensable to the satisfactory pursuit of, an approved program of education.

''(c) AMOUNT.—

''(1) IN GENERAL.—The amount of benefits described in subsection (a) that are payable under this section may not exceed $100 per month, for a maximum of 12 months, or until a maximum of $1,200 is utilized.

''(2) AS ADDITIONAL ASSISTANCE.—The amount provided an individual under this subsection is in addition to the amounts of educational assistance paid the individual under section 3313.

''(d) NO CHARGE AGAINST ENTITLEMENT.—Any benefits provided an individual under subsection (a) are in addition to any other educational assistance benefits provided the individual under this chapter.

''§ 3315. Licensure and certification tests

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to payment for one licensing or certification test described in section 3452(b).

''(b) LIMITATION ON AMOUNT.—The amount payable under subsection (a) for a licensing or certification test may not exceed the lesser of—

''(1) $2,000; or

''(2) the fee charged for the test.

''(c) NO CHARGE AGAINST ENTITLEMENT.—Any amount paid an individual under subsection (a) is in addition to any other educational assistance benefits provided the individual under this chapter.

''§ 3316. Supplemental educational assistance: members with critical skills or specialty; members serving additional service

''(a) INCREASED ASSISTANCE FOR MEMBERS WITH CRITICAL SKILLS OR SPECIALTY.—

''(1) IN GENERAL.—In the case of an individual who has a skill or specialty designated by the Secretary concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, the Secretary concerned may increase the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c), or under paragraphs (2) through (7) of such section (as applicable).

''(2) MAXIMUM AMOUNT OF INCREASE IN ASSISTANCE.—The amount of the increase in educational assistance authorized by paragraph (1) may not exceed the amount equal to the monthly amount of increased basic educational assistance providable under section 3015(d)(1) at the time of the increase under paragraph (1).

''(b) SUPPLEMENTAL ASSISTANCE FOR ADDITIONAL SERVICE.—

''(1) IN GENERAL.—The Secretary concerned may provide for the payment to an individual entitled to educational assistance under this chapter of supplemental educational assistance for additional service authorized by subchapter III of chapter 30. The amount so payable shall be payable as an increase in the monthly amount of educational assistance otherwise payable to the individual under paragraph (1)(B) of section 3313(c), or under paragraphs (2) through (7) of such section (as applicable).

''(2) ELIGIBILITY.—Eligibility for supplement educational assistance under this subsection shall be determined in accordance with the provisions of subchapter III of chapter 30, except that any reference in such provisions to eligibility for basic educational assistance under a provision of subchapter II of chapter 30 shall be treated as a reference to eligibility for educational assistance under the appropriate provision of this chapter.

''(3) AMOUNT.—The amount of supplemental educational assistance payable under this subsection shall be the amount equal to the monthly amount of supplemental educational payable under section 3022.

''(c) REGULATIONS.—The Secretaries concerned shall administer this section in accordance with such regulations as the Secretary of Defense shall prescribe.

''§ 3317. Public-private contributions for additional educational assistance

''(a) ESTABLISHMENT OF PROGRAM.—In instances where the educational assistance provided pursuant to section 3313(c)(1)(A) does not cover the full cost of established charges (as specified in section 3313), the Secretary shall carry out a program under which colleges and universities can, voluntarily, enter into an agreement with the Secretary to cover a portion of those established charges not otherwise covered under section 3313(c)(1)(A), which contributions shall be matched by equivalent contributions toward such costs by the Secretary. The program shall only apply to covered individuals described in paragraphs (1) and (2) of section 3311(b).

''(b) DESIGNATION OF PROGRAM.—The program under this section shall be known as the 'Yellow Ribbon G.I. Education Enhancement Program'.

''(c) AGREEMENTS.—The Secretary shall enter into an agreement with each college or university seeking to participate in the program under this section. Each agreement shall specify the following:

''(1) The manner (whether by direct grant, scholarship, or otherwise) of the contributions to be made by the college or university concerned.

''(2) The maximum amount of the contribution to be made by the college or university concerned with respect to any particular individual in any given academic year.

''(3) The maximum number of individuals for whom the college or university concerned will make contributions in any given academic year.

''(4) Such other matters as the Secretary and the college or university concerned jointly consider appropriate.

''(d) MATCHING CONTRIBUTIONS.—

''(1) IN GENERAL.—In instances where the educational assistance provided an individual under section 3313(c)(1)(A) does not cover the full cost of tuition and mandatory fees at a college or university, the Secretary shall provide up to 50 percent of the remaining costs for tuition and mandatory fees if the college or university voluntarily enters into an agreement with the Secretary to match an equal percentage of any of the remaining costs for such tuition and fees.

''(2) USE OF APPROPRIATED FUNDS.—Amounts available to the Secretary under section 3324(b) for payment of the costs of this chapter shall be available to the Secretary for purposes of paragraph (1).

''(e) OUTREACH.—The Secretary shall make available on the Internet website of the Department available to the public a current list of the colleges and universities participating in the program under this section. The list shall specify, for each college or university so listed, appropriate information on the agreement between the Secretary and such college or university under subsection (c).

''§ 3318. Additional assistance: relocation or travel assistance for individual relocating or traveling significant distance for pursuit of a program of education

''(a) ADDITIONAL ASSISTANCE.—Each individual described in subsection (b) shall be paid additional assistance under this section in the amount of $500.

''(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual entitled to educational assistance under this chapter—

''(1) who resides in a county (or similar entity utilized by the Bureau of the Census) with less than seven persons per square mile, according to the most recent decennial Census; and

''(2) who—

''(A) physically relocates a distance of at least 500 miles in order to pursue a program of education for which the individual utilizes educational assistance under this chapter; or

''(B) travels by air to physically attend an institution of higher education for pursuit of such a program of education because the individual cannot travel to such institution by automobile or other established form of transportation due to an absence of road or other infrastructure.

''(c) PROOF OF RESIDENCE.—For purposes of subsection (b)(1), an individual may demonstrate the individual's place of residence utilizing any of the following:

''(1) DD Form 214, Certification of Release or Discharge from Active Duty.

''(2) The most recent Federal income tax return.

''(3) Such other evidence as the Secretary shall prescribe for purposes of this section.

''(d) SINGLE PAYMENT OF ASSISTANCE.—An individual is entitled to only one payment of additional assistance under this section.

''(e) NO CHARGE AGAINST ENTITLEMENT.—Any amount paid an individual under this section is in addition to any other educational assistance benefits provided the individual under this chapter.

''§ 3319. Authority to transfer unused education benefits to family members

''(a) IN GENERAL.—Subject to the provisions of this section, the Secretary of Defense may authorize the Secretary concerned, to promote recruitment and retention of members of the Armed Forces, to permit an individual described in subsection (b) who is entitled to educational assistance under this chapter to elect to transfer to one or more of the dependents specified in subsection (c) a portion of such individual's entitlement to such assistance, subject to the limitation under subsection (d).

''(b) ELIGIBLE INDIVIDUALS.—An individual referred to in subsection (a) is any member of the Armed Forces who, at the time of the approval of the individual's request to transfer entitlement to educational assistance under this section, has completed at least—

''(1) six years of service in the armed forces and enters into an agreement to serve at least four more years as a member of the Armed Forces; or

''(2) the years of service as determined in regulations pursuant to section (k).

''(c) ELIGIBLE DEPENDENTS.—An individual approved to transfer an entitlement to educational assistance under this section may transfer the individual's entitlement as follows:

''(1) To the individual's spouse.

''(2) To one or more of the individual's children.

''(3) To a combination of the individuals referred to in paragraphs (1) and (2).

''(d) LIMITATION ON MONTHS OF TRANSFER.—The total number of months of entitlement transferred by a individual under this section may not exceed 36 months. The Secretary of Defense may prescribe regulations that would limit the months of entitlement that may be transferred under this section to no less than 18 months.

''(e) DESIGNATION OF TRANSFEREE.—An individual transferring an entitlement to educational assistance under this section shall—

''(1) designate the dependent or dependents to whom such entitlement is being transferred;

''(2) designate the number of months of such entitlement to be transferred to each such dependent; and

''(3) specify the period for which the transfer shall be effective for each dependent designated under paragraph (1).

''(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—

''(1) TIME FOR TRANSFER.—Subject to the time limitation for use of entitlement under section 3321 an individual approved to transfer entitlement to educational assistance under this section may transfer such entitlement only while serving as a member of the armed forces when the transfer is executed.

''(2) MODIFICATION OR REVOCATION.—

''(A) IN GENERAL.—An individual transferring entitlement under this section may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred.

''(B) NOTICE.—The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to both the Secretary concerned and the Secretary of Veterans Affairs.

''(3) PROHIBITION ON TREATMENT OF TRANSFERRED ENTITLEMENT AS MARITAL PROPERTY.—Entitlement transferred under this section may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.

''(g) COMMENCEMENT OF USE.—A dependent to whom entitlement to educational assistance is transferred under this section may not commence the use of the transferred entitlement until—

''(1) in the case of entitlement transferred to a spouse, the completion by the individual making the transfer of at least—

''(A) six years of service in the armed forces; or

''(B) the years of service as determined in regulations pursuant to subsection (j); or

''(2) in the case of entitlement transferred to a child, both—

''(A) the completion by the individual making the transfer of at least—

''(i) ten years of service in the armed forces; or

''(ii) the years of service as determined in regulations pursuant to subsection (j); and

''(B) either—

''(i) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

''(ii) the attainment by the child of 18 years of age.

''(h) ADDITIONAL ADMINISTRATIVE MATTERS.—

''(1) USE.—The use of any entitlement to educational assistance transferred under this section shall be charged against the entitlement of the individual making the transfer at the rate of one month for each month of transferred entitlement that is used.

''(2) NATURE OF TRANSFERRED ENTITLEMENT.—Except as provided under subsection (e)(2) and subject to paragraphs (5) and (6)—

''(A) in the case of entitlement transferred to a spouse under this section, the spouse is entitled to educational assistance under this chapter in the same manner as the individual from whom the entitlement was transferred; or

''(B) in the case of entitlement transferred to a child under this section, the child is entitled to educational assistance under this chapter in the same manner as the individual from whom the entitlement was transferred as if the individual were not on active duty.

''(3) RATE OF PAYMENT.—The monthly rate of educational assistance payable to a dependent to whom entitlement referred to in paragraph (2) is transferred under this section shall be payable—

''(A) in the case of a spouse, at the same rate as such entitlement would otherwise be payable under this chapter to the individual making the transfer; or

''(B) in the case of a child, at the same rate as such entitlement would otherwise be payable under this chapter to the individual making the transfer as if the individual were not on active duty.

''(4) DEATH OF TRANSFEROR.—The death of an individual transferring an entitlement under this section shall not affect the use of the entitlement by the dependent to whom the entitlement is transferred.

''(5) LIMITATION ON AGE OF USE BY CHILD TRANSFEREES.—A child to whom entitlement is transferred under this section may use the benefit without regard to the 15-year delimiting date, but may not use any entitlement so transferred after attaining the age of 26 years.

''(6) SCOPE OF USE BY TRANSFEREES.—The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).

''(7) ADDITIONAL ADMINISTRATIVE PROVISIONS.—The administrative provisions of this chapter shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible individual for purposes of such provisions.

''(i) OVERPAYMENT.—

''(1) JOINT AND SEVERAL LIABILITY.—In the event of an overpayment of educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685.

''(2) FAILURE TO COMPLETE SERVICE AGREEMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if an individual transferring entitlement under this section fails to complete the service agreed to by the individual under subsection (b)(1) in accordance with the terms of the agreement of the individual under that subsection, the amount of any transferred entitlement under this section that is used by a dependent of the individual as of the date of such failure shall be treated as an overpayment of educational assistance under paragraph (1).

''(B) EXCEPTION.—Subparagraph (A) shall not apply in the case of an individual who fails to complete service agreed to by the individual—

''(i) by reason of the death of the individual; or

''(ii) for a reason referred to in section 3311(c)(4).

''(j) REGULATIONS.—(1) The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall prescribe regulations for purposes of this section.

''(2) Such regulations shall specify—

''(A) the manner of authorizing the transfer of entitlements under this section;

''(B) the eligibility criteria in accordance with subsection (b); and

''(C) the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2).

''(k) SECRETARY CONCERNED DEFINED.—Notwithstanding section 101(25), in this section, the term 'Secretary concerned' means—

''(1) the Secretary of the Army with respect to matters concerning the Army;

''(2) the Secretary of the Navy with respect to matters concerning the Navy or the Marine Corps;

''(3) the Secretary of the Air Force with respect to matters concerning the Air Force; and

''(4) the Secretary of Defense with respect to matters concerning the Coast Guard, or the Secretary of Homeland Security when it is not operating as a service in the Navy.

''SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

''§ 3321. Time limitation for use of and eligibility for entitlement

''(a) IN GENERAL.—Except as provided in this section, the period during which an individual entitled to educational assistance under this chapter may use such individual's entitlement expires at the end of the 15-year period beginning on the date of such individual's last discharge or release from active duty.

''(b) EXCEPTIONS.—

''(1) APPLICABILITY OF SECTION 3031 TO RUNNING OF PERIOD.—Subsections (b), (c), and (d)

of section 3031 shall apply with respect to the running of the 15-year period described in subsection (a) of this section in the same manner as such subsections apply under section 3031 with respect to the running of the 10-year period described in section 3031(a).

''(2) APPLICABILITY OF SECTION 3031 TO TERMINATION.—Section 3031(f) shall apply with respect to the termination of an individual's entitlement to educational assistance under this chapter in the same manner as such section applies to the termination of an individual's entitlement to educational assistance under chapter 30, except that, in the administration of such section for purposes of this chapter, the reference to section 3013 shall be deemed to be a reference to 3312.

''(3) DETERMINATION OF LAST DISCHARGE OR RELEASE.—For purposes of subsection (a), an individual's last discharge or release from active duty shall not include any discharge or release from a period of active duty of less than 90 days of continuous service, unless the individual is discharged or released as described in section 3311(b)(2).

''§ 3322. Bar to duplication of educational assistance benefits

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter who is also eligible for educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980 (Public Law 96–449; 5 U.S.C. 5561 note) may not receive assistance under two or more such programs concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which chapter or provisions to receive educational assistance.

''(b) INAPPLICABILITY OF SERVICE TREATED UNDER EDUCATIONAL LOAN REPAYMENT PROGRAMS.—A period of service counted for purposes of repayment of an education loan under chapter 109 of title 10 may not be counted as a period of service for entitlement to educational assistance under this chapter.

''(c) SERVICE IN SELECTED RESERVE.—An individual who serves in the Selected Reserve may receive credit for such service under only one of this chapter, chapter 30 of this title, and chapters 1606 and 1607 of title 10, and shall elect (in such form and manner as the Secretary may prescribe) under which chapter such service is to be credited.

''(d) ADDITIONAL COORDINATION MATTERS.—In the case of an individual entitled to educational assistance under chapter 30, 31, 32, or 35 of this title, chapter 107, 1606, or 1607 of title 10, or the provisions of the Hostage Relief Act of 1980, or making contributions toward entitlement to educational assistance under chapter 30 of this title, as of August 1, 2009, coordination of entitlement to educational assistance under this chapter, on the one hand, and such chapters or provisions, on the other, shall be governed by the provisions of section 5003(c) of the Post-9/11 Veterans Educational Assistance Act of 2008.

''§ 3323. Administration

''(a) IN GENERAL.—

''(1) IN GENERAL.—Except as otherwise provided in this chapter, the provisions specified in section 3034(a)(1) shall apply to the provision of educational assistance under this chapter.

''(2) SPECIAL RULE.—In applying the provisions referred to in paragraph (1) to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such provisions to the term 'eligible veteran' shall be deemed to refer to an individual entitled to educational assistance under this chapter.

''(3) RULE FOR APPLYING SECTION 3474.—In applying section 3474 to an individual entitled to educational assistance under this chapter for purposes of this section, the reference in such section 3474 to the term 'educational assistance allowance' shall be deemed to refer to educational assistance payable under section 3313.

''(4) RULE FOR APPLYING SECTION 3482.—In applying section 3482(g) to an individual entitled to educational assistance under this chapter for purposes of this section—

''(A) the first reference to the term 'educational assistance allowance' in such section 3482(g) shall be deemed to refer to educational assistance payable under section 3313; and

''(B) the first sentence of paragraph (1) of such section 3482(g) shall be applied as if such sentence ended with 'equipment'.

''(b) INFORMATION ON BENEFITS.—

''(1) TIMING FOR PROVIDING.—The Secretary shall provide the information described in paragraph (2) to each member of the Armed Forces at such times as the Secretary and the Secretary of Defense shall jointly prescribe in regulations.

''(2) DESCRIPTION OF INFORMATION.—The information described in this paragraph is information on benefits, limitations, procedures, eligibility requirements (including time-in-service requirements), and other important aspects of educational assistance under this chapter, including application forms for such assistance under section 5102.

''(3) TO WHOM PROVIDED.—The Secretary of Veterans Affairs shall furnish the information and forms described in paragraph (2), and other educational materials on educational assistance under this chapter, to educational institutions, training establishments, military education personnel, and such other persons and entities as the Secretary considers appropriate.

''(c) REGULATIONS.—

''(1) IN GENERAL.—The Secretary shall prescribe regulations for the administration of this chapter.

''(2) UNIFORMITY.—Any regulations prescribed by the Secretary of Defense for purposes of this chapter shall apply uniformly across the Armed Forces.

''§ 3324. Allocation of administration and costs

''(a) ADMINISTRATION.—Except as otherwise provided in this chapter, the Secretary shall administer the provision of educational assistance under this chapter.

''(b) COSTS.—Payments for entitlement to educational assistance earned under this chapter shall be made from funds appropriated to, or otherwise made available to, the Department for the payment of readjustment benefits.''.

(2) CLERICAL AMENDMENTS.—The tables of chapters at the beginning of title 38, United States Code, and at the beginning of part III of such title, are each amended by inserting after the item relating to chapter 32 the following new item:

''33. Post-9/11 Educational Assistance 3301.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS RELATING TO DUPLICATION OF BENEFITS.—

(A) Section 3033 of title 38, United States Code, is amended—

(i) in subsection (a)(1) by inserting ''33,'' after ''32,''; and

(ii) in subsection (c) by striking ''both the program established by this chapter and the program established by chapter 106 of title 10'' and inserting ''two or more of the programs established by this chapter, chapter 33 of this title, and chapters 1606 and 1607 of title 10''.

(B) Paragraph (4) of section 3695(a) of such title is amended to read as follows:

''(4) Chapters 30, 32, 33, 34, 35, and 36.''.

(C) Section 16163(e) of title 10, United States Code, is amended by inserting ''33,'' after ''32,''.

(2) ADDITIONAL CONFORMING AMENDMENTS.—

(A) Title 38, United States Code, is further amended by inserting ''33,'' after ''32,'' each place it appears in the following provisions:

(i) In subsections (b) and (e)(1) of section 3485.

(ii) In section 3688(b).

(iii) In subsections (a)(1), (c)(1), (c)(1)(G), (d), and (e)(2) of section 3689.

(iv) In section 3690(b)(3)(A).

(v) In subsections (a) and (b) of section 3692.

(vi) In section 3697(a).

(B) Section 3697A(b)(1) of such title is amended by striking ''or 32'' and inserting ''32, or 33''.

(c) APPLICABILITY TO INDIVIDUALS UNDER MONTGOMERY GI BILL PROGRAM.—

(1) INDIVIDUALS ELIGIBLE TO ELECT PARTICIPATION IN POST-9/11 EDUCATIONAL ASSISTANCE.—An individual may elect to receive educational assistance under chapter 33 of title 38, United States Code (as added by subsection (a)), if such individual—

(A) as of August 1, 2009—

(i) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, and has used, but retains unused, entitlement under that chapter;

(ii) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, and has used, but retains unused, entitlement under the applicable chapter;

(iii) is entitled to basic educational assistance under chapter 30 of title 38, United States Code, but has not used any entitlement under that chapter;

(iv) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, but has not used any entitlement under such chapter;

(v) is a member of the Armed Forces who is eligible for receipt of basic educational assistance under chapter 30 of title 38, United States Code, and is making contributions toward such assistance under section 3011(b) or 3012(c) of such title; or

(vi) is a member of the Armed Forces who is not entitled to basic educational assistance under chapter 30 of title 38, United States Code, by reason of an election under section 3011(c)(1) or 3012(d)(1) of such title; and

(B) as of the date of the individual's election under this paragraph, meets the requirements for entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added).

(2) CESSATION OF CONTRIBUTIONS TOWARD GI BILL.—Effective as of the first month beginning on or after the date of an election under paragraph (1) of an individual described by subparagraph (A)(v) of that paragraph, the obligation of the individual to make contributions under section 3011(b) or 3012(c) of title 38, United States Code, as applicable, shall cease, and the requirements of such section shall be deemed to be no longer applicable to the individual.

(3) REVOCATION OF REMAINING TRANSFERRED ENTITLEMENT.—

(A) ELECTION TO REVOKE.—If, on the date an individual described in subparagraph (A)(i) or (A)(iii) of paragraph (1) makes an election under that paragraph, a transfer of the entitlement of the individual to basic educational assistance under section 3020 of title 38, United States Code, is in effect and a number of months of the entitlement so transferred remain unutilized, the individual may elect to revoke all or a portion of the entitlement so transferred that remains unutilized.

(B) AVAILABILITY OF REVOKED ENTITLEMENT.—Any entitlement revoked by an individual under this paragraph shall no longer be available to the dependent to whom transferred, but shall be available to the individual instead for educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of this subsection.

(C) AVAILABILITY OF UNREVOKED ENTITLEMENT.—Any entitlement described in subparagraph (A) that is not revoked by an individual in accordance with that subparagraph shall remain available to the dependent or dependents concerned in accordance with the current transfer of such entitlement under section 3020 of title 38, United States Code.

(4) POST-9/11 EDUCATIONAL ASSISTANCE.—

(A) IN GENERAL.—Subject to subparagraph (B) and except as provided in paragraph (5), an individual making an election under paragraph (1) shall be entitled to educational assistance under chapter 33 of title 38, United States Code (as so added), in accordance with the provisions of such chapter, instead of basic educational assistance under chapter 30 of title 38, United States Code, or educational assistance under chapter 107, 1606, or 1607 of title 10, United States Code, as applicable.

(B) LIMITATION ON ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual making an election under paragraph (1) who is described by subparagraph (A)(i) of that paragraph, the number of months of entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), shall be the number of months equal to—

(i) the number of months of unused entitlement of the individual under chapter 30 of title 38, United States Code, as of the date of the election, plus

(ii) the number of months, if any, of entitlement revoked by the individual under paragraph (3)(A).

(5) CONTINUING ENTITLEMENT TO EDUCATIONAL ASSISTANCE NOT AVAILABLE UNDER 9/11 ASSISTANCE PROGRAM.—

(A) IN GENERAL.—In the event educational assistance to which an individual making an election under paragraph (1) would be entitled under chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable, is not authorized to be available to the individual under the provisions of chapter 33 of title 38, United States Code (as so added), the individual shall remain entitled to such educational assistance in accordance with the provisions of the applicable chapter.

(B) CHARGE FOR USE OF ENTITLEMENT.—The utilization by an individual of entitlement under subparagraph (A) shall be chargeable against the entitlement of the individual to educational assistance under chapter 33 of title 38, United States Code (as so added), at the rate of one month of entitlement under such chapter 33 for each month of entitlement utilized by the individual under subparagraph (A) (as determined as if such entitlement were utilized under the provisions of chapter 30 of title 38, United States Code, or chapter 107, 1606, or 1607 of title 10, United States Code, as applicable).

(6) ADDITIONAL POST-9/11 ASSISTANCE FOR MEMBERS HAVING MADE CONTRIBUTIONS TOWARD GI BILL.—

(A) ADDITIONAL ASSISTANCE.—In the case of an individual making an election under paragraph (1) who is described by clause (i), (iii), or (v) of subparagraph (A) of that paragraph, the amount of educational assistance payable to the individual under chapter 33 of title 38, United States Code (as so added), as a monthly stipend payable under paragraph (1)(B) of section 3313(c) of such title, or under paragraphs (2) through (7) of that section (as applicable), shall be the amount otherwise payable as a monthly stipend under the applicable paragraph increased by the amount equal to—

(i) the total amount of contributions toward basic educational assistance made by the individual under section 3011(b) or 3012(c) of title 38, United States Code, as of the date of the election, multiplied by

(ii) the fraction—

(I) the numerator of which is—

(aa) the number of months of entitlement to basic educational assistance under chapter 30 of title 38, United States Code, remaining to the individual at the time of the election; plus

(bb) the number of months, if any, of entitlement under such chapter 30 revoked by the individual under paragraph (3)(A); and

(II) the denominator of which is 36 months.

(B) MONTHS OF REMAINING ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual covered by subparagraph (A) who is described by paragraph (1)(A)(v), the number of months of entitlement to basic educational assistance remaining to the individual for purposes of subparagraph (A)(ii)(I)(aa) shall be 36 months.

(C) TIMING OF PAYMENT.—The amount payable with respect to an individual under subparagraph (A) shall be paid to the individual together with the last payment of the monthly stipend payable to the individual under paragraph (1)(B) of section 3313(c) of title 38, United States Code (as so added), or under paragraphs (2) through (7) of that section (as applicable), before the exhaustion of the individual's entitlement to educational assistance under chapter 33 of such title (as so added).

(7) CONTINUING ENTITLEMENT TO ADDITIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALITY AND ADDITIONAL SERVICE.—An individual making an election under paragraph (1)(A) who, at the time of the election, is entitled to increased educational assistance under section 3015(d) of title 38, United States Code, or section 16131(i) of title 10, United States Code, or supplemental educational assistance under subchapter III of chapter 30 of title 38, United States Code, shall remain entitled to such increased educational assistance or supplemental educational assistance in the utilization of entitlement to educational assistance under chapter 33 of title 38, United States Code (as so added), in an amount equal to the quarter, semester, or term, as applicable, equivalent of the monthly amount of such increased educational assistance or supplemental educational assistance payable with respect to the individual at the time of the election.

(8) IRREVOCABILITY OF ELECTIONS.—An election under paragraph (1) or (3)(A) is irrevocable.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on August 1, 2009.

INCREASE IN AMOUNTS OF BASIC EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL

SEC. 5004. (a) EDUCATIONAL ASSISTANCE BASED ON THREE-YEAR PERIOD OF OBLIGATED SERVICE.—Subsection (a)(1) of section 3015 of title 38, United States Code, is amended—

(1) by striking subparagraphs (A) through (C) and inserting the following new subparagraph:

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,321; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

(b) EDUCATIONAL ASSISTANCE BASED ON TWO-YEAR PERIOD OF OBLIGATED SERVICE.—Subsection (b)(1) of such section is amended—

(1) by striking subparagraphs (A) through (C) and inserting the following new subparagraph:

''(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, $1,073; and''; and

(2) by redesignating subparagraph (D) as subparagraph (B).

(c) MODIFICATION OF MECHANISM FOR COST-OF-LIVING ADJUSTMENTS.—Subsection (h)(1) of such section is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

''(A) the average cost of undergraduate tuition in the United States, as determined by the National Center for Education Statistics, for the last academic year preceding the beginning of the fiscal year for which the increase is made, exceeds

''(B) the average cost of undergraduate tuition in the United States, as so determined, for the academic year preceding the academic year described in subparagraph (A).''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on August 1, 2008.

(2) NO COST-OF-LIVING ADJUSTMENT FOR FISCAL YEAR 2009.—The adjustment required by subsection (h) of section 3015 of title 38, United States Code (as amended by this section), in rates of basic educational assistance payable under subsections (a) and (b) of such section (as so amended) shall not be made for fiscal year 2009.

MODIFICATION OF AMOUNT AVAILABLE FOR REIMBURSEMENT OF STATE AND LOCAL AGENCIES ADMINISTERING VETERANS EDUCATION BENEFITS

SEC. 5005. Section 3674(a)(4) of title 38, United States Code, is amended by striking ''may not exceed'' and all that follows through the end and inserting ''shall be $19,000,000.''.

AUTHORITY TO TRANSFER UNUSED EDUCATION BENEFITS TO FAMILY MEMBERS FOR CAREER SERVICE MEMBERS

SEC. 5006. (a) AUTHORITY TO TRANSFER MONTGOMERY GI BILL BENEFITS TO A DEPENDENT.—Section 3020 of title 38, United States Code, is amended—

(1) by striking the section heading and subsections (a) and (b) and inserting the following:

''§ 3020. Authority to transfer unused education benefits to family members for career service members

''(a) IN GENERAL.—Subject to the provisions of this section, the Secretary of Defense may authorize the Secretary concerned, to promote recruitment and retention of members of the Armed Forces, to permit an individual described in subsection (b) who is entitled to basic educational assistance under this subchapter to elect to transfer to one or more of the dependents specified in subsection (c) the unused portion of entitlement to such assistance, subject to the limitation under subsection (d).

''(b) ELIGIBLE INDIVIDUALS.—An individual referred to in subsection (a) is any member of the Armed Forces—

''(1) who, while serving on active duty or as a member of the Selected Reserve at the time of the approval by the Secretary concerned of the member's request to transfer entitlement to basic educational assistance under this section, has completed six years of service in the Armed Forces and enters into an agreement to serve at least four more years as a member of the Armed Forces; or

''(2) as determined in regulations pursuant to subsection (k).'';

(2) by striking subsection (d) and inserting the following:

''(d) LIMITATION ON MONTHS OF TRANSFER.—(1) An individual approved to transfer an entitlement to basic educational assistance under this section may transfer any unused entitlement to one or more of the dependents specified in subsection (c).

''(2) The total number of months of entitlement transferred by an individual under this section may not exceed 36 months. The Secretary of Defense may prescribe regulations that would limit the months of entitlement that may be transferred under this section to no less than 18 months.'';

(3) in subsection (f)(1) by striking ''without regard to whether'' and inserting ''only while''; and

(4) in subsection (f)(2) by inserting ''as long as the individual is serving on active duty or as a member of the Selected Reserve'' after ''so transferred'';

(5) by adding at the end of subsection (f) the following:

''(3) Entitlement transferred under this section may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.'';

(6) in subsection (h)(5) by inserting ''may use the benefit without regard to the 10-year delimiting date, but'' after ''under this section''; and

(7) by striking subsection (k) and inserting the following:

''(k) REGULATIONS.—The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall prescribe regulations for purposes of this section. Such regulations shall specify—

''(1) the manner of authorizing the military departments to offer transfer of entitlements under this section;

''(2) the eligibility criteria in accordance with subsection (b);

''(3) the limitations on the amount of entitlement eligible to be transferred; and

''(4) the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2).''.

(b) AUTHORITY TO TRANSFER MONTGOMERY GI BILL FOR THE SELECTED RESERVE BENEFITS TO A DEPENDENT.—Chapter 1606 of title 10, United States Code, is amended by inserting after section 16132 the following:

''§ 16132a. Authority to transfer unused education benefits to family members

''(a) IN GENERAL.—Subject to regulation prescribed by the Secretary of Defense, the Secretary concerned may permit a member described in subsection (b) who is entitled to basic educational assistance under this chapter to elect to transfer to one or more of the dependents specified in subsection (c) a portion of such member's entitlement to such assistance, subject to the limitation under subsection (d).

''(b) ELIGIBLE MEMBERS.—A member referred to in subsection (a) is a member of the Selected Reserve of the Ready Reserve who, at the time of the approval of the member's request to transfer entitlement to basic educational assistance under this section, has completed—

''(1) at least six years of service in the Selected Reserve and enters into an agreement to service at least four more years as a member of the armed forces; or

''(2) the years of service as determined in regulations pursuant to subsection (j).

''(c) ELIGIBLE DEPENDENTS.—A member approved to transfer an entitlement to basic educational assistance under this section may transfer the member's entitlement as follows:

''(1) To the member's spouse.

''(2) To one or more of the member's children.

''(3) To a combination of the individuals referred to in paragraphs (1) and (2).

''(d) LIMITATION ON MONTHS OF TRANSFER.—The total number of months of entitlement transferred by a member under this section may not exceed 36 months. The Secretary of Defense may prescribe regulations that would limit the months of entitlement that may be transferred under this section to no less than 18 months.

''(e) DESIGNATION OF TRANSFEREE.—A member transferring an entitlement to basic educational assistance under this section shall—

''(1) designate the dependent or dependents to whom such entitlement is being transferred;

''(2) designate the number of months of such entitlement to be transferred to each such dependent; and

''(3) specify the period for which the transfer shall be effective for each dependent designated under paragraph (1).

''(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—(1) Subject to the time limitation for use of entitlement under section 16133, a member approved to transfer entitlement to basic educational assistance under this section may transfer such entitlement at any time after the approval of the member's request to transfer such entitlement.

''(2) A member transferring entitlement under this section may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred. The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to both the Secretary concerned and the Secretary of Veterans Affairs.

''(3) Entitlement transferred under this section may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.

''(g) COMMENCEMENT OF USE.—A dependent to whom entitlement to basic educational assistance is transferred under this section may not commence the use of the transferred entitlement until—

''(1) in the case of entitlement transferred to a spouse, the completion by the member making the transfer of at least—

''(A) six years of service in the armed forces; or

''(B) the years of service as determined in regulations pursuant to subsection (j); or

''(2) in the case of entitlement transferred to a child, both—

''(A) the completion by the member making the transfer of at least—

''(i) ten years of service in the armed forces; or

''(ii) the years of service as determined in regulations pursuant to subsection (j); and

''(B) either—

''(i) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

''(ii) the attainment by the child of 18 years of age.

''(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1) The use of any entitlement to basic educational assistance transferred under this section shall be charged against the entitlement of the member making the transfer at the rate of one month for each month of transferred entitlement that is used.

''(2) Except as provided under subsection (e)(2) and subject to paragraphs (5) and (6), a dependent to whom entitlement is transferred under this section is entitled to basic educational assistance under this chapter in the same manner as the member from whom the entitlement was transferred.

''(3) The monthly rate of educational assistance payable to a dependent to whom entitlement is transferred under this section shall be the monthly amount payable under sections 16131 and 16131a to the member making the transfer.

''(4) The death of a member transferring an entitlement under this section shall not affect the use of the entitlement by the dependent to whom the entitlement is transferred.

''(5) The involuntary separation or retirement of the member—

''(A) because of a nondiscretionary provision of law for age or years of service;

''(B) because of a policy prescribed by the Secretary concerned mandating such separation or retirement based solely on age or years of service for the prescribed pay grade of an enlisted member;

''(C) under section 16133(b); or

''(D) because of medical disqualification which is not the result of gross negligence or misconduct of the member,

shall not affect the use of entitlement by the dependent to whom the entitlement is transferred.

''(6) A child to whom entitlement is transferred under this section may not use any entitlement so transferred after attaining the age of 26 years.

''(7) The administrative provisions of this chapter shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible member for purposes of such provisions.

''(8) The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).

''(i) OVERPAYMENT.—(1) In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the member making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of title 38.

''(2) Except as provided in paragraph (3), if a member's whose eligibility is terminated under section 16134(2), the amount of any transferred entitlement under this section that is used by a dependent of the member as of the date of such termination shall be treated as an overpayment of basic educational assistance under paragraph (1).

''(3) Paragraph (2) shall not apply in the case of a member who fails to complete service agreed to by the member—

''(A) by reason of the death of the member; or

''(B) for a reason referred to in section 16133(b).

''(j) REGULATIONS.—The Secretary of Defense, in consultation with the Secretary of Veterans Affairs, shall prescribe regulations for purposes of this section. Such regulations shall specify—

''(1) the manner of authorizing the military departments to offer transfer of entitlements under this section;

''(2) the eligibility criteria in accordance with subsection (b);

''(3) the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2); and

''(4) the manner in which the provisions referred to in subsections (h)(4) and (5) shall be administered with respect to a dependent to whom entitlement is transferred under this section.''.

(c) AUTHORITY TO TRANSFER RESERVE EDUCATIONAL ASSISTANCE PROGRAM BENEFITS TO A DEPENDENT.—Chapter 1607 of such title is amended by inserting after section 16163 the following:

''§ 16163a. Authority to transfer unused education benefits to family members

''(a) IN GENERAL.—Subject to the provisions of this section, the Secretary concerned may permit, at such Secretary's sole

discretion, a member described in subsection (b) who is entitled to basic educational assistance under this chapter to elect to transfer to one or more of the dependents specified in subsection (c) a portion of such member's entitlement to such assistance, subject to the limitation under subsection (d).

''(b) ELIGIBLE MEMBERS.—A member referred to in subsection (a) is a member of the armed forces who, at the time of the approval of the member's request to transfer entitlement to basic educational assistance under this section, has completed at least—

''(1) six years of service in the armed forces and enters into an agreement to serve at least four more years as a member of the armed forces; or

''(2) the years of service as determined in regulations pursuant to section (j).

''(c) ELIGIBLE DEPENDENTS.—A member approved to transfer an entitlement to basic educational assistance under this section may transfer the member's entitlement as follows:

''(1) To the member's spouse.

''(2) To one or more of the member's children.

''(3) To a combination of the individuals referred to in paragraphs (1) and (2).

''(d) LIMITATION ON MONTHS OF TRANSFER.—The total number of months of entitlement transferred by a member under this section may not exceed 36 months. The Secretary of Defense may prescribe regulations that would limit the months of entitlement that may be transferred under this section to no less than 18 months.

''(e) DESIGNATION OF TRANSFEREE.—A member transferring an entitlement to basic educational assistance under this section shall—

''(1) designate the dependent or dependents to whom such entitlement is being transferred;

''(2) designate the number of months of such entitlement to be transferred to each such dependent; and

''(3) specify the period for which the transfer shall be effective for each dependent designated under paragraph (1).

''(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—(1) Subject to the time limitation for use of entitlement under section 16164, a member approved to transfer entitlement to basic educational assistance under this section may transfer such entitlement only while serving as a member of the armed forces when the transfer is executed.

''(2) A member transferring entitlement under this section may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred. The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to both the Secretary concerned and the Secretary of Veterans Affairs.

''(3) Entitlement transferred under this section may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.

''(g) COMMENCEMENT OF USE.—A dependent to whom entitlement to basic educational assistance is transferred under this section may not commence the use of the transferred entitlement until—

''(1) in the case of entitlement transferred to a spouse, the completion by the member making the transfer of at least—

''(A) six years of service in the armed forces; or

''(B) the years of service as determined in regulations pursuant to subsection (j); or

''(2) in the case of entitlement transferred to a child, both—

''(A) the completion by the member making the transfer of at least—

''(i) ten years of service in the armed forces; or

''(ii) the years of service as determined in regulations pursuant to subsection (j); and

''(B) either—

''(i) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

''(ii) the attainment by the child of 18 years of age.

''(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1) The use of any entitlement to basic educational assistance transferred under this section shall be charged against the entitlement of the member making the transfer at the rate of one month for each month of transferred entitlement that is used.

''(2) Except as provided under subsection (e)(2) and subject to paragraphs (5) and (6), a dependent to whom entitlement is transferred under this section is entitled to basic educational assistance under this chapter in the same manner as the member from whom the entitlement was transferred.

''(3) The monthly rate of educational assistance payable to a dependent to whom entitlement is transferred under this section shall be the monthly amount payable under sections 16162 and 16162a to the member making the transfer.

''(4) The death of a member transferring an entitlement under this section shall not affect the use of the entitlement by the dependent to whom the entitlement is transferred.

''(5) Notwithstanding section 16164(a)(2), a child to whom entitlement is transferred under this section may use the benefit without regard to the 10-year delimiting date, but may not use any entitlement so transferred after attaining the age of 26 years.

''(6) The administrative provisions of this chapter shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible member for purposes of such provisions.

''(7) The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).

''(i) OVERPAYMENT.—

''(1) JOINT AND SEVERAL LIABILITY.—In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the member making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of title 38.

''(2) FAILURE TO COMPLETE SERVICE AGREEMENT.—Except as provided in paragraph (3), if an individual transferring entitlement under this section fails to complete the service agreed to by the individual under subsection (b)(1) in accordance with the terms of the agreement of the individual under that subsection, the amount of any transferred entitlement under this section that is used by a dependent of the individual as of the date of such failure shall be treated as an overpayment of educational assistance under paragraph (1).

''(3) Paragraph (2) shall not apply in the case of an individual who fails to complete service agreed to by the individual—

''(A) by reason of the death of the individual; or

''(B) for a reason referred to in section 16133(b).

''(j) REGULATIONS.—(1) The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall prescribe regulations for purposes of this section.

''(2) Such regulations shall specify—

''(A) the manner of authorizing the transfer of entitlements under this section;

''(B) the eligibility criteria in accordance with subsection (b); and

''(C) the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2).

''(k) SECRETARY CONCERNED DEFINED.—For purposes of this section, the term 'Secretary concerned' has the meaning given in section 101(a)(9) in the case of a member of the armed forces.''.

(d) CONFORMING AMENDMENTS.—Section 16133(a) of title 10, United States Code, is amended by striking ''(1)'' and all that follows through the period at the end of the subsection and inserting ''on the date the person is separated from the Selected Reserve.''.

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 30 of title 38, United States Code, is amended by striking the item relating to section 3020 and inserting the following new item:

''3020. Authority to transfer unused education benefits to family members of career service members.''.

(2) The table of sections at the beginning of chapter 1606 of title 10, United States Code, is amended by inserting after the item relating to section 16132 the following new item:

''16132a. Authority to transfer unused education benefits to family members.''.

(3) The table of sections at the beginning of chapter 1607 of such title is amended by inserting after the item relating to section 16163 the following new item:

''16163a. Authority to transfer unused education benefits to family members.''.

TITLE VI—ACCOUNTABILITY AND TRANSPARENCY IN GOVERNMENT CONTRACTING

CHAPTER 1—CLOSE THE CONTRACTOR FRAUD LOOPHOLE

SHORT TITLE

SEC. 6101. This chapter may be cited as the ''Close the Contractor Fraud Loophole Act''.

REVISION OF THE FEDERAL ACQUISITION REGULATION

SEC. 6102. The Federal Acquisition Regulation shall be amended within 180 days after the date of the enactment of this Act pursuant to FAR Case 2007–006 (as published at 72 Fed Reg. 64019, November 14, 2007) or any follow-on FAR case to include provisions that require timely notification by Federal contractors of violations of Federal criminal law or overpayments in connection with the award or performance of covered contracts or subcontracts, including those performed outside the United States and those for commercial items.

DEFINITION

SEC. 6103. In this chapter, the term ''covered contract'' means any contract in an amount greater than $5,000,000 and more than 120 days in duration.

CHAPTER 2—GOVERNMENT FUNDING TRANSPARENCY

SHORT TITLE

SEC. 6201. This chapter may be cited as the ''Government Funding Transparency Act of 2008''.

FINANCIAL DISCLOSURE REQUIREMENTS FOR CERTAIN RECIPIENTS OF FEDERAL AWARDS

SEC. 6202. (a) DISCLOSURE REQUIREMENTS.—Section 2(b)(1) of the Federal Funding Accountability and Transparency Act (Public Law 109–282; 31 U.S.C. 6101 note) is amended—

(1) by striking ''and'' at the end of subparagraph (E);

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) the names and total compensation of the five most highly compensated officers of the entity if—

''(i) the entity in the preceding fiscal year received—

''(I) 80 percent or more of its annual gross revenues in Federal awards; and

''(II) $25,000,000 or more in annual gross revenues from Federal awards; and

''(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.''.

(b) REGULATIONS REQUIRED.—The Director of the Office of Management and Budget shall promulgate regulations to implement the amendment made by this chapter. Such regulations shall include a definition of ''total compensation'' that is consistent with regulations of the Securities and Exchange Commission at section 402 of part 229 of title 17 of the Code of Federal Regulations (or any subsequent regulation).

TITLE VII—MEDICAID PROVISIONS

SEC. 7001. (a) MORATORIA ON CERTAIN MEDICAID REGULATIONS.—

(1) EXTENSION OF CERTAIN MORATORIA IN PUBLIC LAW 110–28.—Section 7002(a)(1) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28) is amended—

(A) by striking ''prior to the date that is 1 year after the date of enactment of this Act'' and inserting ''prior to April 1, 2009'';

(B) in subparagraph (A), by inserting after ''Federal Regulations)'' the following: ''or in the final regulation, relating to such parts, published on May 29, 2007 (72 Federal Register 29748) and determined by the United States District Court for the District of Columbia to have been 'improperly promulgated', *Alameda County Medical Center, et al., v. Leavitt, et al.*, Civil Action No. 08-0422, Mem. at 4 (D.D.C. May 23, 2008)''; and

(C) in subparagraph (C), by inserting before the period at the end the following: '', including the proposed regulation published on May 23, 2007 (72 Federal Register 28930)''.

(2) EXTENSION OF CERTAIN MORATORIA IN PUBLIC LAW 110–173.—Section 206 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) is amended—

(A) by striking ''June 30, 2008'' and inserting ''April 1, 2009'';

(B) by inserting '', including the proposed regulation published on August 13, 2007 (72 Federal Register 45201),'' after ''rehabilitation services''; and

(C) by inserting '', including the final regulation published on December 28, 2007 (72 Federal Register 73635),'' after ''school-based transportation''.

(3) ADDITIONAL MORATORIA.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, prior to April 1, 2009, take any action (through promulgation of regulation, issuance of regulatory guidance, use of Federal payment audit procedures, or other administrative action, policy, or practice, including a Medical Assistance Manual transmittal or letter to State Medicaid directors) to impose any restrictions relating to a provision described in subparagraph (B) or (C) if such restrictions are more restrictive in any aspect than those applied to the respective provision as of the date specified in subparagraph (D) for such provision.

(B) PORTION OF INTERIM FINAL REGULATION RELATING TO MEDICAID TREATMENT OF OPTIONAL CASE MANAGEMENT SERVICES.—

(i) IN GENERAL.—Subject to clause (ii), the provision described in this subparagraph is the interim final regulation relating to optional State plan case management services under the Medicaid program published on December 4, 2007 (72 Federal Register 68077) in its entirety.

(ii) EXCEPTION.—The provision described in this subparagraph does not include the portion of such regulation as relates directly to implementing section 1915(g)(2)(A)(ii) of the Social Security Act, as amended by section 6052 of the Deficit Reduction Act of 2005 (Public Law 109–171), through the definition of case management services and targeted case management services contained in proposed section 440.169 of title 42, Code of Federal Regulations, but only to the extent that such portion is not more restrictive than the policies set forth in the Dear State Medicaid Director letter on case management issued on January 19, 2001 (SMDL #01–013), and with respect to community transition case management, the Dear State Medicaid Director letter issued on July 25, 2000 (Olmstead Update 3).

(C) PORTION OF PROPOSED REGULATION RELATING TO MEDICAID ALLOWABLE PROVIDER TAXES.—

(i) IN GENERAL.—Subject to clause (ii), the provision described in this subparagraph is the final regulation relating to health-care-related taxes under the Medicaid program published on February 22, 2008 (73 Federal Register 9685) in its entirety.

(ii) EXCEPTION.—The provision described in this subparagraph does not include the portions of such regulation as relate to the following:

(I) REDUCTION IN THRESHOLD.—The reduction from 6 percent to 5.5 percent in the threshold applied under section 433.68(f)(3)(i) of title 42, Code of Federal Regulations, for determining whether or not there is an indirect guarantee to hold a taxpayer harmless, as required to carry out section 1903(w)(4)(C)(ii) of the Social Security Act, as added by section 403 of the Medicare Improvement and Extension Act of 2006 (division B of Public Law 109–432).

(II) CHANGE IN DEFINITION OF MANAGED CARE.—The change in the definition of managed care as proposed in the revision of section 433.56(a)(8) of title 42, Code of Federal Regulations, as required to carry out section 1903(w)(7)(A)(viii) of the Social Security Act, as amended by section 6051 of the Deficit Reduction Act of 2005 (Public Law 109–171).

(D) DATE SPECIFIED.—The date specified in this subparagraph for the provision described in—

(i) subparagraph (B) is December 3, 2007; or

(ii) subparagraph (C) is February 21, 2008.

(b) FUNDS TO REDUCE MEDICAID FRAUD AND ABUSE.—

(1) IN GENERAL.—For purposes of reducing fraud and abuse in the Medicaid program under title XIX of the Social Security Act—

(A) there is appropriated to the Office of the Inspector General of the Department of Health and Human Services, out of any money in the Treasury not otherwise appropriated, $25,000,000, for fiscal year 2009; and

(B) there is authorized to be appropriated to such Office $25,000,000 for fiscal year 2010 and each subsequent fiscal year.

Amounts appropriated under this section shall remain available for expenditure until expended and shall be in addition to any other amounts appropriated or made available to such Office for such purposes with respect to the Medicaid program.

(2) ANNUAL REPORT.—Not later than September 30 of 2009 and of each subsequent year, the Inspector General of the Department of Health and Human Services shall submit to the Committees on Energy and Commerce and Appropriations of the House of Representatives and the Committees on Finance and Appropriations of the Senate a report on the activities (and the results of such activities) funded under paragraph (1) to reduce waste, fraud, and abuse in the Medicaid program under title XIX of the Social Security Act during the previous 12 month period, including the amount of funds appropriated under such paragraph for each such activity and an estimate of the savings to the Medicaid program resulting from each such activity.

(c) STUDY AND REPORTS TO CONGRESS.—

(1) SECRETARIAL REPORT IDENTIFYING PROBLEMS.—Not later than January 1, 2009, the Secretary of Health and Human Services shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report that—

(A) outlines the specific problems the Medicaid regulations referred to in the amendments made by paragraphs (1) and (2) of subsection (a) were intended to address;

(B) details how these regulations were designed to address these specific problems; and

(C) cites the legal authority for such regulations.

(2) INDEPENDENT COMPREHENSIVE STUDY AND REPORT.—

(A) IN GENERAL.—Not later than January 1, 2009, the Secretary of Health and Human Services shall enter into a contract with an independent organization for the purpose of—

(i) producing a comprehensive report on the prevalence of the problems outlined in the report submitted under paragraph (1);

(ii) identifying strategies in existence to address these problems; and

(iii) assessing the impact of each regulation referred to in such paragraph on each State and the District of Columbia.

(B) ADDITIONAL MATTER.—The report under subparagraph (A) shall also include—

(i) an identification of which claims for items and services (including administrative activities) under title XIX of the Social Security Act are not processed through systems described in section 1903(r) of such Act;

(ii) an examination of the reasons why these claims for such items and services are not processed through such systems; and

(iii) recommendations on actions by the Federal government and the States that can make claims for such items and services more accurate and complete consistent with such title.

(C) DEADLINE.—The report under subparagraph (A) shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate not later than September 1, 2009.

(D) COOPERATION OF STATES.—If the Secretary of Health and Human Services determines that a State or the District of Columbia has not cooperated with the independent organization for purposes of the report under this paragraph, the Secretary shall reduce the amount paid to the State or District under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a)) by $25,000 for each day on which the Secretary determines such State or District has not so cooperated. Such reduction shall be made through a process that permits the State or District to challenge the Secretary's determination.

(3) FUNDING.—

(A) IN GENERAL.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary without further appropriation, $5,000,000 to carry out this subsection.

(B) AVAILABILITY; AMOUNTS IN ADDITION TO OTHER AMOUNTS APPROPRIATED FOR SUCH ACTIVITIES.—Amounts appropriated pursuant to subparagraph (A) shall—

(i) remain available until expended; and

(ii) be in addition to any other amounts appropriated or made available to the Secretary of Health and Human Services with respect to the Medicaid program.

(d) ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS.—

(1) ADDITION OF AUTHORITY.—Title XIX of the Social Security Act is amended by inserting after section 1939 the following new section:

''ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS

''SEC. 1940. (a) IMPLEMENTATION.—

''(1) IN GENERAL.—Subject to the provisions of this section, each State shall implement an asset verification program described in subsection (b), for purposes of determining or redetermining the eligibility of an individual for medical assistance under the State plan under this title.

''(2) PLAN SUBMITTAL.—In order to meet the requirement of paragraph (1), each State shall—

''(A) submit not later than a deadline specified by the Secretary consistent with paragraph (3), a State plan amendment under this title that describes how the State intends to implement the asset verification program; and

''(B) provide for implementation of such program for eligibility determinations and redeterminations made on or after 6 months after the deadline established for submittal of such plan amendment.

''(3) PHASE-IN.—

''(A) IN GENERAL.—

''(i) IMPLEMENTATION IN CURRENT ASSET VERIFICATION DEMO STATES.—The Secretary shall require those States specified in subparagraph (C) (to which an asset verification program has been applied before the date of the enactment of this section) to implement an asset verification program under this subsection by the end of fiscal year 2009.

''(ii) IMPLEMENTATION IN OTHER STATES.—The Secretary shall require other States to submit and implement an asset verification program under this subsection in such manner as is designed to result in the application of such programs, in the aggregate for all such other States, to enrollment of approximately, but not less than, the following percentage of enrollees, in the aggregate for all such other States, by the end of the fiscal year involved:

''(I) 12.5 percent by the end of fiscal year 2009.

''(II) 25 percent by the end of fiscal year 2010.

''(III) 50 percent by the end of fiscal year 2011.

''(IV) 75 percent by the end of fiscal year 2012.

''(V) 100 percent by the end of fiscal year 2013.

''(B) CONSIDERATION.—In selecting States under subparagraph (A)(ii), the Secretary shall consult with the States involved and take into account the feasibility of implementing asset verification programs in each such State.

''(C) STATES SPECIFIED.—The States specified in this subparagraph are California, New York, and New Jersey.

''(D) CONSTRUCTION.—Nothing in subparagraph (A)(ii) shall be construed as preventing a State from requesting, and the Secretary from approving, the implementation of an asset verification program in advance of the deadline otherwise established under such subparagraph.

''(4) EXEMPTION OF TERRITORIES.—This section shall only apply to the 50 States and the District of Columbia.

''(b) ASSET VERIFICATION PROGRAM.—

''(1) IN GENERAL.—For purposes of this section, an asset verification program means a program described in paragraph (2) under which a State—

''(A) requires each applicant for, or recipient of, medical assistance under the State plan under this title on the basis of being aged, blind, or disabled to provide authorization by such applicant or recipient (and any other person whose resources are required by law to be disclosed to determine the eligibility of the applicant or recipient for such assistance) for the State to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act but at no cost to the applicant or recipient) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (and such other person, as applicable), whenever the State determines the record is needed in connection with a determination with respect to such eligibility for (or the amount or extent of) such medical assistance; and

''(B) uses the authorization provided under subparagraph (A) to verify the financial resources of such applicant or recipient (and such other person, as applicable), in order to determine or redetermine the eligibility of such applicant or recipient for medical assistance under the State plan.

''(2) PROGRAM DESCRIBED.—A program described in this paragraph is a program for verifying individual assets in a manner consistent with the approach used by the Commissioner of Social Security under section 1631(e)(1)(B)(ii).

''(c) DURATION OF AUTHORIZATION.—Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act, an authorization provided to a State under subsection (b)(1) shall remain effective until the earliest of—

''(1) the rendering of a final adverse decision on the applicant's application for medical assistance under the State's plan under this title;

''(2) the cessation of the recipient's eligibility for such medical assistance; or

''(3) the express revocation by the applicant or recipient (or such other person described in subsection (b)(1), as applicable) of the authorization, in a written notification to the State.

''(d) TREATMENT OF RIGHT TO FINANCIAL PRIVACY ACT REQUIREMENTS.—

''(1) An authorization obtained by the State under subsection (b)(1) shall be considered to meet the requirements of the Right to Financial Privacy Act for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

''(2) The certification requirements of section 1103(b) of the Right to Financial Privacy Act shall not apply to requests by the State pursuant to an authorization provided under subsection (b)(1).

''(3) A request by the State pursuant to an authorization provided under subsection (b)(1) is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act and of section 1102 of such Act, relating to a reasonable description of financial records.

''(e) REQUIRED DISCLOSURE.—The State shall inform any person who provides authorization pursuant to subsection (b)(1)(A) of the duration and scope of the authorization.

''(f) REFUSAL OR REVOCATION OF AUTHORIZATION.—If an applicant for, or recipient of, medical assistance under the State plan under this title (or such other person described in subsection (b)(1), as applicable) refuses to provide, or revokes, any authorization made by the applicant or recipient (or such other person, as applicable) under subsection (b)(1)(A) for the State to obtain from any financial institution any financial record, the State may, on that basis, determine that the applicant or recipient is ineligible for medical assistance.

''(g) USE OF CONTRACTOR.—For purposes of implementing an asset verification program under this section, a State may select and enter into a contract with a public or private entity meeting such criteria and qualifications as the State determines appropriate, consistent with requirements in regulations relating to general contracting provisions and with section 1903(i)(2). In carrying out activities under such contract, such an entity shall be subject to the same requirements and limitations on use and disclosure of information as would apply if the State were to carry out such activities directly.

''(h) TECHNICAL ASSISTANCE.—The Secretary shall provide States with technical assistance to aid in implementation of an asset verification program under this section.

''(i) REPORTS.—A State implementing an asset verification program under this section shall furnish to the Secretary such reports concerning the program, at such times, in such format, and containing such information as the Secretary determines appropriate.

''(j) TREATMENT OF PROGRAM EXPENSES.—Notwithstanding any other provision of law, reasonable expenses of States in carrying out the program under this section shall be treated, for purposes of section 1903(a), in the same manner as State expenditures specified in paragraph (7) of such section.''.

(2) STATE PLAN REQUIREMENTS.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (69) by striking ''and'' at the end;

(B) in paragraph (70) by striking the period at the end and inserting ''; and''; and

(C) by inserting after paragraph (70), as so amended, the following new paragraph:

''(71) provide that the State will implement an asset verification program as required under section 1940.''.

(3) WITHHOLDING OF FEDERAL MATCHING PAYMENTS FOR NONCOMPLIANT STATES.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) in paragraph (22) by striking ''or'' at the end;

(B) in paragraph (23) by striking the period at the end and inserting ''; or''; and

(C) by adding after paragraph (23) the following new paragraph:

''(24) if a State is required to implement an asset verification program under section 1940 and fails to implement such program in accordance with such section, with respect to amounts expended by such State for medical assistance for individuals subject to asset verification under such section, unless—

''(A) the State demonstrates to the Secretary's satisfaction that the State made a good faith effort to comply;

''(B) not later than 60 days after the date of a finding that the State is in noncompliance, the State submits to the Secretary (and the Secretary approves) a corrective action plan to remedy such noncompliance; and

''(C) not later than 12 months after the date of such submission (and approval), the State fulfills the terms of such corrective action plan.''.

(4) REPEAL.—Section 4 of Public Law 110–90 is repealed.

SEC. 7002. (a) MEDICARE IMPROVEMENT FUND.— Title XVIII of the Social Security

Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following new section:

''MEDICARE IMPROVEMENT FUND

''SEC. 1898. (a) ESTABLISHMENT.—The Secretary shall establish under this title a Medicare Improvement Fund (in this section referred to as the 'Fund') which shall be available to the Secretary to make improvements under the original fee-for-service program under parts A and B for individuals entitled to, or enrolled for, benefits under part A or enrolled under part B.

''(b) FUNDING.—

''(1) IN GENERAL.—There shall be available to the Fund, for expenditures from the Fund for services furnished during fiscal year 2014, $2,220,000,000.

''(2) PAYMENT FROM TRUST FUNDS.—The amount specified under paragraph (1) shall be available to the Fund, as expenditures are made from the Fund, from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such proportion as the Secretary determines appropriate.

''(3) FUNDING LIMITATION.—Amounts in the Fund shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under paragraph (1). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.''.

(b) MEDICAID IMPROVEMENT FUND.— Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), as amended by section 7001(d), is further amended by adding at the end the following new section:

''MEDICAID IMPROVEMENT FUND

''SEC. 1941. (a) ESTABLISHMENT.—The Secretary shall establish under this title a Medicaid Improvement Fund (in this section referred to as the 'Fund') which shall be available to the Secretary to improve the management of the Medicaid program by the Centers for Medicare & Medicaid Services, including oversight of contracts and contractors and evaluation of demonstration projects. Payments made for activities under this subsection shall be in addition to payments that would otherwise be made for such activities.

''(b) FUNDING.—

''(1) IN GENERAL.—There shall be available to the Fund, for expenditures from the Fund—

''(A) for fiscal year 2014, $100,000,000; and

''(B) for fiscal years 2015 through 2018, $150,000,000.

''(2) FUNDING LIMITATION.—Amounts in the Fund shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under paragraph (1). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.''.

(c) ADJUSTMENT TO PAQI FUND.—Section 1848(l)(2) of the Social Security Act (42 U.S.C. 1395w-4(l)(2)), as amended by section 101(a)(2) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110-173), is amended—

(1) in subparagraph (A)(i)—

(A) in subclause (III), by striking ''$4,960,000,000'' and inserting ''$4,670,000,000''; and

(B) by adding at the end the following new subclause:

''(IV) For expenditures during 2014, an amount equal to $290,000,000.'';

(2) in subparagraph (A)(ii), by adding at the end the following new subclause:

''(IV) 2014.—The amount available for expenditures during 2014 shall only be available for an adjustment to the update of the conversion factor under subsection (d) for that year.''; and

(3) in subparagraph (B)—

(A) in clause (ii), by striking ''and'' at the end;

(B) in clause (iii), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(iv) 2014 for payment with respect to physicians' services furnished during 2014.''.

TITLE VIII—GENERAL PROVISIONS, THIS ACT

AVAILABILITY OF FUNDS

SEC. 8001. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

EMERGENCY DESIGNATION

SEC. 8002. Each amount in each title of this Act is designated as an emergency requirement and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 (110th Congress) and section 301(b)(2) of S. Con. Res. 70 (110th Congress), the concurrent resolutions on the budget for fiscal years 2008 and 2009.

REDUCTION IN DEFENSE AMOUNTS

SEC. 8003. Notwithstanding any other provision of this Act, the total amount appropriated in chapter 1 of title IX of this Act under the headings ''Procurement'', ''Research, Development, Test and Evaluation'', and ''Defense Working Capital Funds'' is hereby reduced by $3,577,845,000. Such reduction shall be applied proportionally to each appropriation account under such headings, and to each program, project, and activity within each such appropriation account.

JOINT BASING INITIATIVES

SEC. 8004. Section 9310 of this Act is amended by inserting '', except funds deposited in the Department of Defense Base Closure Account 2005,'' after ''None of the funds available to the Department of Defense''.

DEFENSE HEALTH PROGRAM

SEC. 8005. Amounts provided for ''Defense Health Program'' in Public Law 110-28 for Post Traumatic Stress Disorder and Traumatic Brain Injury (TBI) within operation and maintenance which remain available for obligation shall be made available for psychological health and traumatic brain injury.

SHORT TITLE

SEC. 8006. This Act may be cited as the ''Supplemental Appropriations Act, 2008''.

Page 60 of the Senate engrossed amendment (of September 6, 2007) to H.R. 2642, strike lines 1 through 3.

The SPEAKER pro tempore. Pursuant to House Resolution 1284, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from California (Mr. LEWIS) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. OBEY. Mr. 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 pending legislation.

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

There was no objection.

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

Mr. Speaker, we've heard a lot of comments tonight about what there should or should not be in this legislation, and I agree with many of those comments. And honestly, just once, acting as chairman of a committee, I would like to put together a bill which reflects my priorities. But that is not usually what chairmen have to do in this place.

What we have to do is try to find a consensus that will gather 218 votes and be sustained over time. And on this bill, there are some peculiar problems because, very frankly, we have a very different constituency in this House for continuing the war in Iraq than we have for most of the other items in the bill and, therefore, we had to find a way to allow each and every Member of the House to express his or her opinion. We had to try to find a way to allow each and every Member to vote their convictions in a way which would not keep the House tied up in knots for another 6 months.

Now, the way we did that was to adopt a procedure under which we took a conference report pending between the Senate and the House, and used that as the device by which each House would express their preferences, and we would work our way to a solution.

Our committee is often criticized because we wind up producing omnibus appropriations in which everything is thrown into one package, and people are forced to vote up or down on the entire package. What we tried to do this time was to do just the opposite, to disaggregate these issues so that people would have a chance to vote separately on the major propositions in the legislation.

And that is why the House sent to the Senate originally three amendments. We sent one amendment that would fund the operations for Iraq and Afghanistan. We sent a second amendment which stipulated the conditions under which the first amendment money could be expended. And then we had a third amendment which laid out, basically, other domestic priorities or associated military priorities that we thought were important. And we sent it to the Senate, and it included a number of items about which questions have been raised tonight.

In addition to the expanded GI benefits for veterans and unemployment compensation, we tried to protect the Medicaid safety net by having a moratorium on seven Medicaid regulations.

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We also had a number of restrictions on Iraq policy, one requiring that any money that is expended for reconstruction by the State Department or USAID be matched dollar for dollar by the Iraqi Government so that they

would begin to pick up a fair share of the cost of redeveloping their own country.

We also had language with respect to trying to assure that there would be no permanent bases in Iraq. We had funding $2.2 billion above the President's level for military construction and veterans' hospitals, and we fully funded BRAC.

Someone asked earlier on the floor today why did we have $178 million in this war supplemental for the Bureau of Prisons. Very simple. Because the executive agency asked for the money because if we don't, there are going to be prison guards laid off because there has been a heavier than expected Federal prison population. And that may not be an emergency to Members of Congress, but if you're one of those prison guards who's working shorthanded under dangerous situations, you don't want to have people laid off in those Federal prisons.

And so we sent that package over to the Senate, and the Senate added roughly 37 additional items which cost $10 billion and which the House felt, in many instances, did not accurately reflect emergency expenditure funds.

So the Senate sent those amendments back to us, and among other things, they stripped out totally the conditions on the war. That is why I will personally vote against amendment No. 1 because I would vote for that amendment provided that we had a set of reasonable conditions in defining what our national policy is in Iraq. Absent those conditions, I don't intend to vote for that amendment.

But I do intend to vote for the second amendment, and I want to take just a moment to explain what was in it. Primarily, we do three important things: We, first of all, create a new program to provide greatly expanded education benefits for American veterans under the GI Bill. We have some Members of this House who are unhappy about the fact that that is not paid for. I am among them. But I would point out that the entire war is not being paid for. Mr. MURTHA and I and Mr. MCGOVERN tried to offer the House an opportunity to vote to pay for the entire war. We did not, frankly, find much enthusiasm for that on either side of the political aisle.

But we stipulated that we felt that if that war was going to be fought, even though I personally think it's the most misguided war since the War of 1812, nonetheless, we felt if the war was going to be fought, at least we ought to pay for it so we didn't pass the cost down to our grandkids.

That has not happened.

My point is simply that if we aren't going to pay for the war, then I feel no particular guilt about saying to the GIs who have fought the war that we aren't going to provide you with the equivalent of a 4-year college education because we have had no sense of self-sacrifice in this country except on the part of military families. They've been asked to sacrifice again and again and again while the rest of us have been asked to go shopping or swallow a tax cut. And I think that's illegitimate.

We lost the argument on funding the war, and it just seems to me that it is a peculiar view of proportion if people get exercised about not paying for the GI Bill expansion but don't get exercised about not paying for the war. It would take over 50 years of paying benefits under this new expanded GI Bill. It would take more than 50 years to spend as much money on veterans as will be spent in a 2-year period in Iraq.

And so I make no apology. While I would prefer that it be paid for, I make no apology for the fact that, in the end, it wasn't. This is the only way that we could get the United States Senate and the administration to accept the expanded GI Bill. And I think we owe it to those veterans to provide it no matter what the budgetary niceties are.

Secondly, with respect to unemployment compensation. We wound up essentially—and I want to thank Mr. RANGEL especially for the work he did in conference yesterday. The House initially sent over a package which provided 13 weeks of expanded unemployment benefits for every State in the country and then provided an additional 13 weeks on top of that for States with high unemployment rates.

The administration, as you know, Mr. Speaker, did not want that. They objected to it. So we looked for various ways to try to salvage as much of that as we could.

In the end, we adopted changes which bring the cost of that down from about $10 billion to $8 billion. So we have retained 80 percent of the original unemployment compensation provision.

We've made two changes. We have agreed with the administration's request to require 20 weeks of work history if a person is going to be eligible for that, and we also dropped the second step, the targeting of those benefits. We will have to deal with that issue on another bill in another venue.

The third issue that was causing great controversy was the fact that we were trying to place a moratorium on seven Medicaid regulations that the administration was trying to impose that would cut services to seniors, families, and those with disabilities. In the end, we got six of those seven in the package. I think that's doing pretty well.

Because of the new disasters that we have had around the country, certainly most visible in Iowa recently, the administration agreed to $1.8 billion in disaster funding. This bill comes in considerably higher than that at $2.65 billion.

That's basically the outline of what we have done. And there are several other items in the bill. One that Members should be aware of, if we do not get our appropriation bills done by the end of the fiscal year—that has been known to happen from time to time around here—if that doesn't happen, then if we were to proceed for a short time on a continuing resolution, Israel would wind up receiving $170 million less than the President's budget. We did not want that to happen. And so we are including in this bill a provision which guarantees that as of October 1, that even if we were to pass a continuing resolution at last year's level, Israel would not be accidentally shortchanged by that action and they would get that additional $170 million.

There are a number of other provisions in the bill, but I think most Members are familiar with them. Most of these items have been around for quite a while.

And so with that, Mr. Speaker, I would like to reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, we've heard from a number of sources in the last hour or so that this is the 500th day since the President sent this request for absolutely crucial funding for our troops who are fighting in the Middle East. It's been heard enough that I don't think we need to dwell upon that a lot.

Mr. Speaker, today is the 500th day since the President's fiscal year 2008 emergency supplemental request first arrived on the Hill. Oft times we make the mistake of assuming that we're doing the Lord's work in this body. But I remind my colleagues that the Good Lord created Heaven, Earth—and far more—and it took Him 493 fewer days to get it done.

It's no secret that I've had misgivings about the manner in which the majority leadership developed and moved earlier versions of the supplemental, without consideration by the Committee on Appropriations and under a closed rule.

While the regular order process was never followed, today I'm happy to report that the House has worked in a bipartisan fashion—and come to an agreement—on a funding package that will provide immediate support to our troops in harm's way in Iraq and Afghanistan.

This supplemental is long overdue and comes at a time when the Pentagon has already issued guidance to employees on potential furloughs. Clearly, our agreement on this legislation comes not a moment too soon.

A whole array of legislative provisions had been a part of the earlier version of the supplemental, including a massive tax increase on American small businesses. While several legislative provisions remain, the tax increase as been removed.

This is now a better package, one that provides an educational benefit for our returning troops and their families without placing an additional tax burden on small business—the economic engine that drives our national economy.

This package also includes unemployment insurance language that provides far more accountability than earlier versions considered by the House. The new provision includes an additional 13 weeks of coverage but requires that recipients work for 20 weeks in order to qualify for the benefit. From this Member's perspective, I believe this provision has been dramatically improved because it now requires that the recipient earn the benefit.

I'd like to make one additional observation as I close my remarks. Our friends and neighbors in the Midwest need to know this: Congress is prepared to help you get back on your feet as you respond to the great floods affecting your region. This legislation provides needed, targeted funding to address the many challenges you are now facing.

Mr. Speaker, this is a package that should receive the bipartisan support of the majority of our Members today. It is a package the President will sign. I urge its immediate passage.

Mr. Speaker, I would like to yield to the gentleman who played the key role in bringing that conference that we had together yesterday together in a fashion that caused us to be able to be here this evening.

I would recognize the Republican leader, JOHN BOEHNER, for such time as he might consume.

Mr. BOEHNER. Mr. Speaker, let me thank my colleague for yielding, and let me thank him for his work, the majority leader Mr. HOYER, and the chairman of the Appropriations Committee, Mr. OBEY, the chairman of the Ways and Means Committee, Mr. RANGEL

It's not often that on a major bill that with as much controversy as we've had with this bill that we can come together and work as a Congress on both sides of the aisle and come to a compromise. The gentleman from Wisconsin outlined the provisions of the bill. I might have described them a little differently than he did. But a compromise is that. It's a compromise. You know, there are 435 of us. Any one of us could write this bill in a way that fit our own interests.

But at the end of the day, I think there was cooperation on both sides to come to this agreement. And I believe that at the end of the day, it's a victory for our troops, it's a victory for American families, it's a victory for our veterans, and for those in need who are unemployed.

Now, we could get into the whole issue of Iraq. I'm glad we're there. I wish it had gone better. I wish it had gone quicker. I want our troops to come home as soon as possible. But I want our troops to come home having succeeded in Iraq. The effort, the fight that's going on in Iraq, it's not about tomorrow, it's not about next month or next year. It is about the future for our kids and theirs.

Our soldiers in Iraq have brought more security to that country, the political process is working better, and building a democracy in a part of the world that's never known it, there is no price. There is no price that we can put on what that may mean for the future for our kids and theirs.

I know it's been difficult. It's been difficult for all Americans. And it's certainly been difficult for our troops and especially for those troops that have given their lives in defense of our country. But it's a price for freedom. And I think freedom for our kids and theirs is why a lot of us are here. And so supporting our troops that are in Iraq and Afghanistan is important.

I could criticize the majority that this bill should have happened a long time ago. There's no reason to get into that. But I think we're doing the right thing for our troops in this bill finally. I think the expanded GI benefits in this bill, while they may not be exactly as I would write them, taking care of our veterans should be our highest priority and making sure that they have the kinds of educational benefits that will help not only them but also their families will help us retain more of our soldiers, and help give them the benefits that they and their families deserve.

When it comes to the unemployment benefits that are included in this bill, I think it's a reasonable provision to require 20 weeks of work, which is current law, and to extend 13 additional weeks for all 50 States. I wouldn't have done it that way. The gentleman from New York (Mr. RANGEL) knows that. We had a discussion about it. But again, a compromise is a compromise.

I want to thank my Democrat colleagues for working with us to get to this point. And I want to thank them for this commitment that this is the bill, this is the bill that will end up on the President's desk.

And so I would ask all of my colleagues on both sides of the aisle to vote for this. You may not love it, but this is one of those moments when you've worked together, you've worked out a compromise, that Members need to just suck it up and vote ''yes'' because it's the right thing to do for our country.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished majority leader, Mr. HOYER.

Mr. HOYER. I thank the chairman for yielding.

I want to thank the chairman. No one has worked harder to get us to this point in time in a bill that can be signed by the President and passed by the Senate. No one has worked harder than DAVID OBEY has on that objective, and he spent months at it. His staff has worked extraordinarily hard.

I also want to thank my counterpart, the minority leader Mr. BOEHNER who just spoke, and thank him for his efforts. This agreement would not have been reached without his leadership and his cooperation, and I appreciate that.

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I also want to thank Mr. LEWIS for his work on this effort as well.

Mr. Speaker, this supplemental appropriations legislation is the result, as has been said, of a bipartisan compromise that addresses critical needs of the American people.

Will every Member be happy with the substance of the two amendments that we are going to consider? The answer to that question is no.

Will every Member here get what he or she wants? Again, the answer is no. That is, after all, the legislative process.

However, our Nation is at war. We have 150,000 men and women in harm's way in Iraq and Afghanistan. Catastrophic floods continue to wreak havoc in Iowa and other States in the Midwest. And millions of our workers are struggling to make ends meet because they've lost their jobs through no fault of their own.

These two amendments that we will consider address these needs, as well as others.

The first amendment will provide funding for our troops on the battlefield in Iraq and Afghanistan. Each Member will decide how they should vote, and their vote should not be questioned on that particular amendment.

It is also important to note that the second amendment includes important policy provisions regarding the war in Iraq.

First, it prohibits military construction funds from being used to establish permanent bases in Iraq. We have addressed that previously in this House and overwhelmingly supported that proposition.

Secondly, it requires reconstruction aid for Iraq to be matched dollar-for-dollar by the Iraqi Government. With the price of oil being what it is, having been told by the administration that the oil in Iraq would pay for all reconstruction, that is a reasonable and appropriate requirement.

Additionally, the second amendment includes major legislative items that the White House has agreed to accept. That is a good sign that there is an opportunity to work together when the interests of the American people are at stake. We don't always do that. The American public is concerned about that and disappointed by that. But this night, we have come to such an agreement, and the American public can be pleased by that.

Among other things, this amendment expands the education benefits that veterans receive under the GI Bill to restore the promise of a full, 4-year college education, and allowing servicemembers to transfer educational benefits to their spouses and dependents. That was a bipartisan agreement. It's something that we can be pleased about as a country. It's something that we do, in fact, owe our veterans, and we will redeem that promise this night.

Thus, this legislation supports our troops not only when they're abroad but when they return home as well.

We know from our experience with the original GI Bill that this legislation will foster an educated workforce and a vibrant economy. The greatest generation, after all, not only defeated fascism—CHARLIE RANGEL, at a later time, fought for our country in the field—but they also came home, that greatest generation, and built the greatest economy the world has seen. This bill will help in many ways redeem the promise for this generation of men and women who are asked to defend our country and its freedom. It is the right thing to do. We will do it this night.

The President initially indicated his opposition to an extension of unemployment insurance. But this second amendment includes a 13-week extension for workers in every State who have exhausted their benefits. Again, the right thing to do.

The administration also had placed a moratorium on seven Medicaid regulations, the result of which would cut services for seniors, families, and those with disabilities. The administration, after conversation with both sides, has decided and agreed to a moratorium on six of the seven regulations. That's good for the States, but more importantly, it's good for those whom these dollars will help in a time of trouble. This provision has overwhelmingly been supported in this House previously, both sides of the aisle, who voted for protecting the Medicaid safety net by a vote of 349–62. I am pleased the administration has joined us in the support of this effort.

The second amendment also includes critical disaster assistance in the wake of devastating tornadoes and floods, which all of us have seen on TV over the last few days, as well as funding to strengthen New Orleans' levees, as requested by the President, and housing vouchers for those left homeless by Hurricane Katrina.

I want to again commend Chairman OBEY and Chairman RANGEL. Chairman RANGEL played a key role in getting us to this agreement, and I thank him for that.

I also again want to thank Minority Leader BOEHNER and Ranking Member LEWIS for their leadership on this legislation.

Some will say this legislation is not perfect. To that extent, they can apply that to any piece of legislation that we consider, but this legislation is a good piece of legislation. It will provide for our troops in the field, while addressing critical priorities here at home. It will have my support, and I urge the support of this body for such amendment as they believe to be appropriate in the best interests of our country.

Mr. LEWIS of California. Mr. Speaker, I'm very pleased to call upon the former chairman of the committee and my dear friend from Florida, BILL YOUNG, for such time as he might consume.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding the time, and I want to congratulate Chairman OBEY and Mr. LEWIS for having worked out what appeared on many occasions to be an impossible solution. They did a good job.

I compliment Mr. MURTHA, the chairman of the Defense Appropriations Committee for a good job on amendment No. 1. It is not quite as much funding as we thought that there should have been, but we're okay with that. It's a good plan. We're going to vote for it. We're going to vote for the whole package. It just proves, Mr. Speaker, that when we finally settle down and decide to work for the country, we can do it. We can work together and we can make good things happen.

And so the last time we discussed this, I stood here and extended my support for the package, but it didn't pass. This time, I'm indicating my support for the package. At least most of us are going to vote for it, extending our thanks and our appreciation to those who are serving in our military in far-off places around the world—and as we talk so much about defending our freedoms—defending our safety, protecting the safety of the American people here, at home, and abroad.

So it's a good package. I support it strongly, and I compliment all of those who were involved in the negotiations to make this happen.

I thank the gentleman for yielding the time.

Today the House is finally considering funding for the 2008 and 2009 Global War on Terror requirements of the Department of Defense.

The deal on this bill could not have been reached at a more critical time. The Department will very soon be out of money . . . literally.

While I support everything we are doing for the Defense Department in this bill, I do wish that we could have provided all of the requested funding. This bill is almost $4.2 billion below the President's request. More important than this reduction, however, is the fact that we are finally getting the Department the funding they urgently need.

Morale is suffering. This Congress's inability to act has created frightening uncertainty among the men and women of the Department who are not sure they will receive their next paycheck, and placed an inexcusable burden on those professionals trying to execute the finances of the Department during a time of war. It is time to get the Department the money they requested almost a year and a half ago.

Let me reiterate, I have no argument with the substance of the Defense spending in this bill. I support this bill, as I did the previous version that was considered on the House floor. This one, however, I plan to vote for.

Let's pass this supplemental bill, and complete the work of supporting our military and their families.

While there have been numerous votes in the House and Senate on this issue as we negotiated our way to this agreement, this is the critical vote and the meaningful vote as we conclude our work on this Supplemental Appropriations Bill.

Mr. OBEY. I yield 3 minutes to the distinguished gentleman from New York, the chairman of the Ways and Means Committee, Mr. RANGEL. I want to thank Mr. RANGEL for the work he did in conference.

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

Mr. RANGEL. I want to thank Majority Leader HOYER, the Speaker, certainly Chairman OBEY, Mr. LEWIS and my good friend, JOHN BOEHNER, for inviting me to participate in just one part of this very complex problem that we have faced.

I just want to make it abundantly clear that what we were fighting for when we were talking about providing resources for those people that have lost their jobs was not a Democratic position or a Republican position, but it was a position that I'm glad that the minority leader understood, that affected not only the ability of Americans to put food on the table or to clothe their children or to pay their bills, but it really involved the dignity of the middle class.

And I will speak briefly to that, because JIM MCDERMOTT has the passion and truly understanding that we're not talking about being liberal or being conservative. That Statue of Liberty is up there for people all over the world, for centuries, for people to dream the American dream.

And what is it? It certainly isn't to be some type of tycoon that gets preferential tax treatment, and we know that it's not those people who are jobless and homeless. But it's those people that really think that they can have some dignity and pride in providing for their family, sending their kids to school, and maybe buying that first house.

When I heard that they were excluded from the stimulus package, because if you give these people money they might be inclined not to seek jobs, that struck me to the heart just as much as if someone snatched the flag and threw it in the street because it's these people that are the consumers. It's these people that dream for a better America. It's these people that everyone does and should aspire to be.

And for them to be ignored at a time when, through no fault of their own—and I stress that, through no fault of their own—find themselves without disposable income, find themselves losing the dignity in their communities and in their families, it would have just seemed to me that it would not have been a partisan issue, that we all should just come there and not to give a handout, since there's $35 billion that they paid into, but to be able to say, ''there but for the grace of God goes me.''

And so I want to thank JOHN BOEHNER, because he never pushed that point in terms of we can't afford to do it. It was just a question of how much can and should we do.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. OBEY. I yield the gentleman 1 additional minute.

Mr. RANGEL. I hope when we start looking at some other issues, and we're looking to see how we're going to jump-start this economy, that we recognize that it won't be the homeless and the hopeless that we'll be going to. They're not even in the system. It won't be the wealthy, that the President insists that we extend their tax cuts, because they wouldn't even know what the check came in for.

But it would be what makes this country so great, what fights our wars, what runs our jobs, what produces for

trade, and what makes it the greatest country in the whole world, and that is the middle class. And when they get into trouble, as they are now, I think this Congress should not have a political debate. We should be there to help them because they're what makes our country great.

So thank you for giving me the opportunity and thank you, JOHN BOEHNER, for understanding what we were trying to do.

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

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Washington (Mr. MCDERMOTT).

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

Mr. MCDERMOTT. Mr. Speaker, as chairman of the Income Security and Family Support Subcommittee, I've spent the last 6 months fighting for passage of the emergency unemployment extension. The American people needed a helping hand back in January when I introduced the legislation, and they need it now more than ever.

Just the other day, my home State of Washington reported the largest 1-month increase in unemployment in 28 years. The unemployment rate spiked in just 1 month from 4.7 to 5.3 percent. We saw much the same happen at the national level.

Yet for all the evidence, all the objective data, we saw the White House order Senate Republicans to drag their feet until the President got his way. Last week, the House voted overwhelmingly to pass emergency unemployment on its own merits. We achieved a two-thirds vote in here, veto-proof. So what did the President do? He ordered the Senate Republicans to withhold help from the Americans until he could force Congress to cut out the extra help needed in badly hit States like Michigan, Alaska, Puerto Rico, Rhode Island, California and the District of Columbia.

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Today we're going to get the best that we can get from a lame duck President and the Senate Republicans.

JOHN MCCAIN must have written off Michigan and California. But the American people have been hit hard by economic calamity, rooted in the disastrous policies of this administration, and they deserve better than this. When Americans can't find jobs because this President and Senate Republicans have tanked the economy, I submit the wrong people are standing in the unemployment line. And I trust the American people will remember in November who fought for them and who fought against them.

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

Mr. OBEY. Mr. Speaker, I yield myself 1 minute.

Let me simply take this opportunity to thank the staff, especially Rob Nabors, on our side of the aisle. And I want to especially also thank Mr. MURTHA and Senator INOUYE and Mr. YOUNG for the work they did in fashioning amendment No. 1 that we have before us today.

I also want to thank Mr. RANGEL, certainly Mr. HOYER, and the Speaker for all of the work that they have done in bringing us to this point. And I also want to thank especially Mr. BOEHNER, who certainly has been integral to achieving this today. And also Mr. LEWIS and CANTOR, who have worked consistently on this, and I appreciate the work they did even through yesterday. And one more thank you to Senator WEBB and to Representative HERSETH SANDLIN in this House for leading the efforts to see that we did have an expanded GI Bill benefit for veterans, and also Senator REID.

And now let me inquire, does the gentleman have any other speakers?

Mr. LEWIS of California. At most, we have one remaining speaker, that's me. And so I reserve the balance of my time. And I will use very little time.

Mr. OBEY. I intend to have the Speaker do the closing. Would you like to finish before I ask her to close?

Mr. LEWIS of California. I certainly wouldn't want to speak before the Speaker, so I will yield back the balance of my time.

Mr. OBEY. I thank the gentleman, and I yield 1 minute to the distinguished Speaker of the House.

Ms. PELOSI. Thank you very much, Mr. Chairman, for yielding.

I want to join my colleague, Mr. OBEY, the distinguished chairman of the Appropriations Committee, in acknowledging the great work of Rob Nabors and all of the staff involved in putting this bill together today.

I want to join him in acknowledging the leadership of the distinguished minority leader, our majority leader, Mr. HOYER, the chairman, Mr. RANGEL, for his important work on unemployment insurance, Mr. MCDERMOTT, who just spoke, for his important work getting the bill ready. Mr. LEWIS, to you and to Mr. CANTOR and all involved in all this. Mr. MURTHA, to you as well, and Mr. SKELTON, to you as well.

We were able to come to this compromise because we were ready. As Mr. MCDERMOTT said, earlier in the year we had a bill ready for unemployment insurance. It wasn't going to be signed by the President. We had to put it off until another time. Two weeks ago tomorrow, the unemployment rate in our country shot up by half a point from approximately 5 to 5.5 percent. It sent a very stern message to the Congress of the United States and to the President that we must act.

Following that, on the floor last week, on two occasions, we had a very strong bipartisan vote in favor of unemployment insurance. So when Mr. RANGEL went to the table to talk about compromise, it was clear that we had to reflect the will of the American people, and he was ready, he was ready with the legislation. And I'm pleased that Mr. BOEHNER was ready to accept that.

When we started talking about the final versions of this bill in the past couple of weeks, little did we know that the skies would open and rain would fall and the Midwest of our country would be deluged, and there would be a need to make some adjustment in this bill for disaster assistance to the Midwest and to replenish the FEMA fund to make up for funds spent now. We were ready. And I don't think there was any compromise on that subject; we all agreed that that had to be done.

I am particularly pleased that in the legislation there is a signal sent that this Congress cares about investments in science, it cares about the future, not as much as I would like, but nonetheless, I thank you, Mr. Chairman, for having that included. And I thank my colleagues for accepting that.

I want to join in all the commendations, again, to those who helped bring this compromise to the floor. I am very pleased that it has the GI Bill, finally. It became clear that this is what we had to do, what we owed our young people to say thank you to them by sending them to college. Mr. CHET EDWARDS has been a champion on this issue. I will come back to that in a moment.

But, Mr. Speaker, I'm sorry that I cannot fully participate in all of the comradery that is accompanying this legislation that we bring to the floor because of the huge amount of money that is in this bill to fund the war in Iraq without any conditions, without any limitation on time spent there. I'm glad that we have something about no permanent bases, yes, but this is the first time that we will be sending a bill—well, we sent it to the Senate with conditions and they struck it. We have no choice. This is not about a failure of this House of Representatives; it's about what we cannot get past the next body and onto the President's desk.

Mr. Speaker, about a week ago, I spoke at the opening of the groundbreaking for the Institute of Peace. I know that you have been involved in that over the years. And I said that day, on a warm June day like today, it was reminiscent of one 45 years ago when President John F. Kennedy delivered the commencement address at American University.

In the last summer of a life that ended far too soon, President Kennedy spoke of the need to seek peace even in the midst of the Cold War. He said, ''The United States, as the world knows, will never start a war,'' Kennedy told the crowd assembled. ''We shall be prepared if others wish it, we shall be alert to try to stop it, but we shall also do our part to build a world of peace where the weak are safe and the strong are just.'' That was President Kennedy's philosophy of his foreign policy.

Contrary to that policy, President Bush started a war based on a false

premise. He sent our troops into a situation that he didn't know what he was getting into. The philosopher Hannah Arendt once said, she observed that nations are driven by the endless flywheel of violence, believing that one last, one final violent gesture will bring peace. But each time they sow the seeds for more violence.

Five years later, we are still engaged in the war in Iraq, 2 years longer than we were in World War II, and that has come at a very great cost. The costs are clear, of course, and we all mourn 4,100 of our troops who have lost their lives in battle, tens of thousands of our troops injured, thousands of them permanently. I met with some of them with my colleagues, Mr. DICKS, Mr. INSLEE and Mr. MCDERMOTT, at the Seattle VA Hospital last Friday. And before that, Mr. MURTHA and I visited our troops in the hospital as well here in Washington, D.C.

Over Memorial Day, I visited our troops in Iraq with some of our colleagues. It was my sixth trip into the theater. And what they asked me is what they always ask: What's going to happen to us when we go home? And for a long time on those visits I didn't have an answer that I could be very, very pleased to tell them. But now, because of the leadership of Mr. EDWARDS, and others, we're able to say that when you come home, you will be met with the biggest increase in the Veterans Administration health budget in the 77-year history of the Veterans Administration, and that means in the history of our country, an even bigger investment this year.

And after tonight, in a bipartisan way, we can proudly say—and Mr. YOUNG, who has done more than you? You have just been wonderful, and I salute you as well. We can proudly say to our troops, to our young student veterans, that when they come home, we will say thank you by sending them to college; $7 for every dollar spent on the GI Bill following World War II. We owe these troops nothing else.

Now let's go back to the cost of that war. We talked about those who lost their lives, we talked about those who are permanently injured. And it's such a sad story. The cost to our reputation in the world is enormous. The cost in dollars, the Heritage Foundation said $2.75 trillion. The Heritage Foundation, that's their figure; nearly $3 trillion projected to be the cost of this war.

And so it's hard to understand when we say to the President, we would like to insure 10 million children in America, and he says we can't afford it, so I vetoed the bill. And the Republicans stuck with him on that veto—not all, many voted in a bipartisan way. Forty days in Iraq, 10 million children insured in America for 1 year. We can't afford it? $2.75 trillion, the cost of this war.

But what is worrisome—I know to Mr. SKELTON, to Mr. MURTHA, and I'm certain to Mr. YOUNG, although he has not given me license to speak for him—is the cost of the military capability of our Nation, lives, limbs, reputation, dollars, opportunity costs at home. But this is about keeping the American people safe. That's what we take an oath of office to do, to provide for the common defense. And our ability to honor our oath of office to uphold the Constitution—in the preamble it says ''to provide for the common defense''—is greatly diminished because this war has diminished the capability of American military forces to protect our interests wherever they are threatened in the world.

So let us think and hope that this is the last time that there will ever be another dollar spent without constraints, without conditions, without direction. Why should we trust the same judgment that got us here in the first place in this war?

So while I'm pleased that we have some spirit of civility here tonight about coming to a conclusion on this bill to bring it to the floor, and I enthusiastically will vote for the domestic piece of this, I'm not urging anyone to do anything, I just want you to know why I would be voting ''no'' on the spending without constraints.

We owe our troops more than sending them into war on a false premise, without the equipment and training they need, without a plan for success, without a strategy to leave. This war has not made the region more stable, it has not made our country safer. It has undermined our capability to protect the American people. It should come to an end safely, honorably, responsibly, and soon.

Mr. OBEY, Mr. Speaker, I submit the following:

EXPLANATORY STATEMENT SUBMITTED BY MR. OBEY, CHAIRMAN OF THE HOUSE COMMITTEE ON APPROPRIATIONS, REGARDING THE FURTHER AMENDMENT OF THE HOUSE OF REPRESENTATIVES RELATING TO SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEARS 2008 AND 2009

Following is an explanation of the further amendment of the House of Representatives (relating to supplemental appropriations for fiscal years 2008 and 2009) to the Senate amendment numbered 2 to the House amendment numbered 2 to the Senate amendment to H.R. 2642, the Supplemental Appropriations Act, 2008.

In this statement, the provisions of the further House amendment are generally referred to as ''the amended bill''.

The further House amendment provides that, in lieu of the matter proposed to be inserted by the Senate, language be inserted providing supplemental appropriations for military construction, international affairs, disaster assistance, and other security-related and domestic needs, as well as language providing for accountability in contracting, improved veterans education benefits, temporary extended unemployment compensation, and a moratorium on certain Medicaid regulations. The amendment also strikes lines 1 through 3 on page 60 of the Senate engrossed amendment of September 6, 2007.

The text of the amendment is printed in the Rules Committee report (H. Rpt. 110–720) to accompany House Resolution 1284.

Unless otherwise noted, all appropriations in the amendment are designated as emergency requirements and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 and section 301(b)(2) of S. Con. Res. 70, the congressional budget resolutions for fiscal years 2008 and 2009.

TITLE I—MILITARY CONSTRUCTION, VETERANS AFFAIRS, INTERNATIONAL AFFAIRS, AND OTHER SECURITY-RELATED MATTERS

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

PUBLIC LAW 480 TITLE II GRANTS

The amended bill provides a total of $850,000,000 to remain available until expended for Public Law 480 Title II Grants for fiscal year 2008. The amended bill provides $350,000,000, as requested, for the urgent humanitarian needs identified by the administration. Further, the amended bill provides an additional $500,000,000 for unanticipated cost increases for food and transportation to be made available immediately.

In addition, because the need for urgent humanitarian food assistance and continuing volatility of food and transportation costs are expected to continue into fiscal year 2009, the amended bill provides a total of $395,000,000, as requested, to be made available beginning October 1, 2008.

CHAPTER 2—JUSTICE

DEPARTMENT OF JUSTICE

OFFICE OF INSPECTOR GENERAL

The amended bill includes $4,000,000 for the Office of Inspector General. The Inspector General is directed to continue its audit and oversight activities of the Federal Bureau of Investigation's use of National Security Letters (NSLs) and orders for business records, pursuant to Section 215 of the USA PATRIOT Act.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The amended bill includes $1,648,000 for General Legal Activities for the Criminal Division to provide litigation support services to the Special Inspector General for Iraq Reconstruction for its ongoing investigations and cases involving corruption in the reconstruction of Iraq. The amended bill does not include funding requested to create Iraq and Afghanistan support units within General Legal Activities, Criminal Division. These worthy activities should be supported through funds made available to the Departments of State or Defense.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The amended bill includes $5,000,000 for the U.S. Attorneys for extraordinary litigation expenses associated with terrorism prosecutions in the United States.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

The amended bill includes $28,621,000 for the U.S. Marshals Service. Within this funding level is $7,951,000 to provide security at high-threat terrorist trials in the United States and $3,700,000 to improve court and witness security in Afghanistan.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

The amended bill provides $106,122,000 for the Federal Bureau of Investigation (FBI). This funding level includes $101,122,000 for operations in Iraq and Afghanistan and for enhanced counterterrorism activities and $5,000,000 to increase the FBI's capacity to investigate fraudulent contracts in Iraq and Afghanistan. The FBI is directed to provide the House and Senate Committees on Appropriations with a detailed plan for the obligation of these funds no later than 30 days

after the enactment of this Act and to update this plan on a quarterly basis with actual obligations.

The amended bill also provides $82,600,000 in bridge funding for the FBI to maintain the operations described above into fiscal year 2009.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

The amended bill includes $29,861,000 for the Drug Enforcement Administration to further its narco-terrorism initiative and Operation Breakthrough; to conduct financial investigations and to support intelligence activities, such as signals intelligence, to assist the Government of Afghanistan's counter-narcotics and narco-terrorism programs; and to purchase a helicopter for Foreign-deployed Advisory Support Team transportation.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

The amended bill includes $4,000,000 for the Bureau of Alcohol, Tobacco, Firearms and Explosives for necessary costs of operations in Iraq.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The amended bill provides $9,100,000 for the Bureau of Prisons to monitor communications of incarcerated terrorists, collect intelligence, and disseminate relevant information to other Federal law enforcement agencies.

GENERAL PROVISION, THIS CHAPTER

The amended bill includes a provision authorizing the use of funds appropriated in this chapter, or available by the transfer of funds in this chapter, for activities pursuant to section 504 of the National Security Act of 1947.

CHAPTER 3—MILITARY CONSTRUCTION AND VETERANS AFFAIRS

DEPARTMENT OF DEFENSE

Iraq.—The Administration's request has been reviewed for military construction in Iraq to ensure that the recommended projects are consistent with contingency construction standards. The establishment of permanent bases in Iraq is not supported, and the amended bill does not include any funds to establish any such base, or convert any base in Iraq from a temporary to permanent status. The amended bill includes language prohibiting the obligation or expenditure of funds for Iraq construction projects provided under Military Construction, Army, and Military Construction, Air Force, until the Secretary of Defense certifies that none of the funds are to be used for the purpose of providing facilities for permanent basing of U.S. military personnel in Iraq. The Secretary of Defense is further directed to provide to the Committees on Appropriations of both Houses of Congress, no later than 30 days after enactment of this act, an updated Master Plan for U.S. basing in Iraq, including an inventory of installations that have been closed; those that are scheduled to close, and the timeline for their closure; and a finite list of potential enduring locations describing the mission, military construction requirements, and projected population of these locations.

Child Development Centers.—The amended bill recommends a total of $210,258,000 to design and build twenty new child development centers for the Army, Navy, Marine Corps, and Air Force. The Department should be commended for following the lead of Congress by requesting funds for additional child development centers.

Army Barracks Improvements.—The deplorable conditions that have recently been uncovered in some permanent party Army barracks, including those which house soldiers returning from the wars in Iraq and Afghanistan, have raised numerous concerns about the adequacy of living conditions for military personnel. The Army created a permanent party barracks modernization program in 1994 to eliminate inadequate barracks. However, this program is not projected to be completely funded until 2013. Given this timeline, it is unacceptable that the Army has allowed some of its existing permanent party barracks to fall into disrepair. While many of the repairs and upgrades to existing barracks can be accomplished with Sustainment, Restoration, and Modernization (SRM) funds, there is a need for additional military construction funds to expedite barracks replacements. The amended bill includes a total of $200,000,000 for the Army to accelerate the construction of new barracks, or to provide major renovations to existing barracks. The funding is provided subject to the development of an expenditure plan to be submitted to the Committees on Appropriations of both Houses of Congress.

MILITARY CONSTRUCTION, ARMY

The amended bill recommends $1,108,200,000 for Military Construction, Army. The funds are provided as follows:

[Dollars in thousands]

Location	Protect description	Request	Recommendation
AK: Fort Wainwright	Child Development Center [1]	17,000	17,000
CA: Fort Irwin	Child Development Center [1]	11,800	11,800
CO: Fort Carson	Child Development Center [1]	8,400	8,400
CO: Fort Carson	Soldier Family Assistance Center	8,100	8,100
GA: Fort Gordon	Child Development Center [1]	7,800	7,800
GA: Fort Stewart	Soldier Family Assistance Center	6,000	6,000
HI: Schofield Barracks	Child Development Center	12,500	12,500
KS: Fort Riley	Transitioning Warrior Support Complex	50,000	50,000
KY: Fort Campbell	Child Development Center [1]	9,900	9,900
KY: Fort Campbell	Soldier Family Assistance Center	7,400	7,400
KY: Fort	Knox Child Development Center	7,400	7,400
LA: Fort Polk	Soldier Family Assistance Center	4,900	4,900
MO: Fort Leonard Wood	Starbase Complex 6, Phase 1		50,000
NC: Fort Bragg	Child Development Center [1]	8,500	8,500
NY: Fort Drum	Warrior in Transition Facilities	38,000	38,000
OK: Fort Sill	Child Development Center [1]	9,000	9,000
TX: Fort Bliss	Child Development Center [1]	5,700	5,700
TX: Fort Bliss	Child Development Center [1]	5,900	5,900
TX: Fort Bliss	Child Development Center [1]	5,700	5,700
TX: Fort Hood	Child Development Center [1]	7,200	7,200
TX: Fort Hood	Warrior In Transition Unit Ops Facilities	9,100	9,100
TX: Fort Sam Houston	Child Development Center [1]	7,000	7,000
VA: Fort Lee	Child Development Center [1]	7,400	7,400
Afghanistan: Bagram AB	Administrative Building [1]	13,800	13,800
Afghanistan: Bagram AB	Aircraft Maintenance Hangar	5,100	5,100
Afghanistan: Bagram AB	Ammunition Supply Point	62,000	62,000
Afghanistan: Bagram AB	Bulk Fuel Storage and Supply, Phase 3	23,000	23,000
Afghanistan: Bagram AB	Bulk Fuel Storage and Supply, Phase 4	21,000	21,000
Afghanistan: Bagram AB	New Roads	27,000	27,000
Afghanistan: Bagram AB	Power Plant	41,000	41,000
Afghanistan: Ghazni	Rotary Wing Parking	5,000	5,000
Afghanistan: Kabul	Consolidated Compound	36,000	36,000
Afghanistan: Various Locations	Counter IED Road—Route Alaska	16,500	16,500
Afghanistan: Various Locations	Counter IED Road—Route Connecticut	54,000	54,000
Iraq: Al Asad AB	Hot Cargo Ramp	18,500	18,500
Iraq: Al Asad AB	Landfill	3,100	3,100
Iraq: Al Asad AB	Power Plant	40,000	
Iraq: Al Asad AB	South Airfield Apron (India Ramp)	28,000	28,000
Iraq: Al Asad AB	Urban Bypass Road	43,000	
Iraq: Baghdad IAP	Water Supply, Treatment & Storage Ph III	13,000	13,000
Iraq: Camp Adder	Convoy Support Center Relocation, Phase II	39,000	39,000
Iraq: Camp Adder	Multi-Class Storage Warehouse	17,000	
Iraq: Camp Adder	POL Storage Area	10,000	10,000
Iraq: Camp Adder	Power Plant	39,000	
Iraq: Camp Adder	Wastewater Treatment & Collection System	9,800	9,800
Iraq: Camp Anaconda	Hazardous Waste Incinerator	4,300	4,300
Iraq: Camp Anaconda	Landfill	6,200	6,200
Iraq: Camp Anaconda	Power Plant	39,000	
Iraq: Camp Constitution	Juenile TIFRIC	11,700	11,700
Iraq: Camp Cropper	Brick Factory	9,500	
Iraq: Camp Marez	Landfill	880	880
Iraq: Camp Ramadi	Landfill	880	880
Iraq: Camp Speicher	Aviation Navigation Facilities	13,400	13,400
Iraq: Camp Speicher	Landfill	5,900	5,900
Iraq: Camp Speicher	Military Control Point	5,800	5,800
Iraq: Camp speicher	Power Plant	39,000	
Iraq: Camp Speicher	Rotary Wing Parking Apron	49,000	
Iraq: Camp Taqqadum	Landfill	880	880

[Dollars in thousands]

Location	Protect description	Request	Recommendation
Iraq: Camp Warrior	Landfill	880	880
Iraq: Fallujah	Landfill	880	880
Iraq: Mosul	Urban Bypass Road	43,000	
Iraq: Qayyarah West	North Entry Control Point	11,400	11,400
Iraq: Qayyarah West	Perimeter Security Upgrade	14,600	14,600
Iraq: Qayyarah West	Power Plant	26,000	
Iraq: Scania	Entry Control Point	5,000	5,000
Iraq: Scania	Water Storage Tanks	9,200	9,200
Iraq: Victory Base	Landfill	6,200	6,000
Iraq: Victory Base	Level 3 Hospital	13,400	13,400
Iraq: Victory Base	Wastewater Treatment & Collection System	9,800	9,800
Iraq: Victory Base	Water Treatment &. Storage Phase II	18,000	18,000
Iraq: Various Locations	Facilities Replacement	72,000	
Iraq: Various Locations	Overhead Cover—eGlass	135,000	135,000
Kuwait: Camp Arifjan	Communication Center	30,000	30,000
Worldwide: Unspecified	Planning and Design (GWOT)	64,200	52,800
Worldwide: Unspecified	Planning and Design (WIT)	14,600	14,600
Worldwide: Unspecified	Planning and Design (COG) [1]	6,000	6,000
Total		1,486,100	1,108,200

[1] Requested by the Department of Defense in fiscal year 2008 and/or the March 2008 Adjustments package.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

The amended bill recommends $355,907,000 for Military Construction, Navy and Marine Corps. The funds are provided as follows:

[Dollars in thousands]

Location	Project description	Request	Recommendation
CA: Camp Pendleton	11th Marine Regiment HQ, Armory, BEQ	34,970	34,970
CA: Camp Pendleton	5th Marine Regiment Addition, San Mateo	10,890	10,890
CA: Camp Pendleton	Armory Intelligence Battalion, 16 Area	4,180	4,180
CA: Camp Pendleton	Armory, Regiment & Battalion HQ, 53 Area	5,160	5,160
CA: Camp Pendleton	BEQ & Mess Hall HQ (13) Area	24,390	24,390
CA: Camp Pendleton	EOD Operations Facility	13,090	13,090
CA: Camp Pendleton	ISR Camp—Intelligence Battalion	1,114	1,114
CA: Camp Pendleton	JIEDDO Battle Courses [1]	9,270	9,270
CA: Camp Pendleton	Military Police Company Facilities	8,240	8,240
CA: Twentynine Palms	Regimental Combat Team HQ Facility	4,440	4,440
CA: China Lake NAWS	JIEDDO Battle Courses [1]	7,210	7,210
CA: Point Mugu	JIEDDO Battle Courses [1]	7,250	7,250
CA: San Diego	Child Development Center [1]	17,930	17,930
CA: Twentynine Palms	JIEDDO Battle Courses [1]	11,250	11,250
FL: Whiting Field NAS	JIEDDO Battle Courses [1]	780	780
MS: Gulfport NCBC	JIEDDO Battle Courses [1]	6,570	6,570
NC: Camp Lejeune	Child Development Center [1]	16,000	16,000
NC: Camp Lejeune	JIEDDO Battle Courses [1]	11,980	11,980
NC: Camp Lejeune	Maintenance/Operations Complex 2/9.	43,340	43,340
SC: Parris Island MCRD	Recruit Barracks		25,360
VA: Yorktown NWS	JIEDDO Battle Courses [1]	8,070	8,070
Djibouti: Camp Lemonier	CJTF–HOA HQ Facility	29,710	
Djibouti: Camp Lemonier	Dining Facility	20,780	20,780
Djibouti: Camp Lemonier	Fuel Farm [1]	4,000	4,000
Djibouti: Camp Lemonier	Full Length Taxiway [1]	15,490	15,490
Djibouti: Camp Lemonier	Network Infrastructure Expansion	6,270	6,270
Djibouti: Camp Lemonier	Water Production	19,140	19,140
Djibouti: Camp Lemonier	Western Taxiway [1]	2,900	2,900
Worldwide: Unspecified	Planning and Design (GTF)	7,491	7,491
Worldwide: Unspecified	Planning and Design (GWOT)	4,300	4,300
Worldwide: Unspecified	Planning and Design (CDC) [1]	1,101	1,101
Worldwide: Unspecified	Planning and Design (JIEDDO) [1]	2,951	2,951
Total		360,257	355,907

[1] Requested by the Department of Defense in fiscal year 2008 and/or the March 2008 Adjustments package.

Joint IED Defeat Organization (JIEDDO) Battle Courses.—The amended bill recommends $65,331,000 to construct facilities for enhanced counter-improvised explosive device training in furtherance of the goals of the Joint IED Defeat Organization. These funds address a technical correction in the Administration's fiscal year 2008 Global War on Terror budget request and are offset by a rescission in title IX.

MILITARY CONSTRUCTION, AIR FORCE

The amended bill recommends $399,627,000 for Military Construction, Air Force. The funds are provided as follows:

[Dollars in thousands]

Location	Project description	Request	Recommendation
CA: Beale AFB	Child Development Center [1]	17,600	17,600
FL: Eglin AFB	Child Development Center [1]	11,000	11,000
NJ: McGuire AFB	JIEDDO Battle Courses [1]	6,200	6,200
NM: Cannon AFB	Child Development Center [1]	8,000	8,000
Afghanistan: Bagram AB	East Side Helo Ramp	44,400	44,400
Afghanistan: Bagram AB	ISR Ramp.	26,300	26,300
Afghanistan: Bagram AB	Parallel Taxiway Phase 2	21,400	21,400
Afghanistan: Bagram AB	Strategic Ramp	43,000	43,000
Iraq: Balad AB	Fighter Ramp	11,000	11,000
Iraq: Balad AB	Foxtrot Taxiway	12,700	12,700
Iraq: Balad AB	Helicopter Maintenance Facilities.	34,600	34,600
Kyrgyzstan: Manas AB	Strategic Ramp	30,300	30,300
Oman: Masirah AB	Expeditionary Beddown Site	6,300	6,300
Qatar: Al Udeid AB	Facility Replacements	40,000	30,000
Qatar: Al Udeid AB	Northwest (CAS) Ramp [1]	60,400	60,400
Worldwide: Unspecified	Planning and Design (GWOT)	35,000	35,000
Worldwide: Unspecified	Planning and Design (CDC) [1]	1,427	1,427
Total		409,627	399,627

[1] Requested by the Department of Defense in fiscal year 2008 and/or the March 2008 Adjustments package.

Joint IED Defeat Organization (JIEDDO) Battle Courses.—The amended bill recommends $6,200,000 to construct facilities for enhanced counter-improvised explosive device training in furtherance of the goals of the Joint IED Defeat Organization. These

funds address a technical correction in the Administration's fiscal year 2008 Global War on Terror budget request and are offset by a rescission in title IX.

MILITARY CONSTRUCTION, DEFENSE-WIDE

The amended bill recommends $890,921,000 for Military Construction, Defense-Wide. The funds are provided as follows:

[Dollars in thousands]

Location	Project description	Request	Recommendation
GA: Fort Benning	Hospital Replacement		350,000
KS: Fort Riley	Hospital Replacement		404,000
NC: Camp Lejeune	Hospital Addition		64,300
TX: Fort Sam Houston	Burn Rehabilitation Center	21,000	21,000
Qatar: Al Udeid AB	Logistics Storage Warehouse	6,600	6,600
Worldwide: Unspecified	Planning and Design (MTF)		45,021
Total		27,600	890,921

Medical Treatment Facilities Construction.—There is a great concern with the large backlog of needed recapitalization for medical treatment facilities for military service members and their families. The current Future Years Defense Plan (FYDP) for Tricare Management Activity military construction averages $412,000,000 per year for fiscal years 2009 through 2013, and much of this amount is accounted for by medical research facilities. With the services identifying recapitalization requirements ranging in the several billions of dollars, the current FYDP for medical construction is obviously and severely insufficient. The Department's inventory of medical treatment facilities is riddled with aging hospitals, clinics, and other facilities that do not meet current standards for medical care. Adding to this problem is the fact that several installations are adding thousands of personnel and dependents due to Base Realignment and Closure, the relocation of units from Europe and Korea to the United States, and the Growing the Force initiative that will add 92,000 active duty personnel to the Army and Marine Corps. The amended bill therefore recommends $863,321,000 for additional medical treatment facility construction. These funds will provide for the Army's top two priority hospital replacement projects in the United States as well as a top priority hospital addition for the Marine Corps.

The Department of Defense is also directed to develop a comprehensive master plan for medical treatment facilities construction, to include both recapitalization and new requirements. This plan shall include a comprehensive priority list of projects for all services, provide a cost estimate for each project, supply data on the current state of facilities and the projected change in demand for services due to growth for each location on the list, indicate the extent to which identified construction requirements are programmed in the FYDP, and indicate the resources required for associated planning and design work. This report shall be submitted to the Committees on Appropriations of both Houses of Congress no later than December 31, 2008.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

The amended bill recommends $11,766,000 for Family Housing Construction, Navy and Marine Corps. The funds are provided as follows:

[Dollars in thousands]

Location	Project description	Request	Recommendation
CA: Camp Pendleton	Public-Private Venture, Phase 6B	10,692	10,692
CA: Twentynine Palms	Public-Private Venture, Phase 2A	1,074	1,074
Total		11,766	11,766

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005

The amended bill recommends $1,278,886,000 for Department of Defense Base Closure Account 2005 instead of $1,202,886,000 as requested by the Administration. The amount provided fully funds the Administration's request to expedite medical facility construction at Bethesda and Fort Belvoir, and provides an additional $862,976,000 for BRAC 2005 implementation.

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

The amended bill recommends $100,000,000 for General Operating Expenses to implement the provisions of title V of this Act.

INFORMATION TECHNOLOGY SYSTEMS

The amended bill recommends $20,000,000 for Information Technology Systems to implement the provisions of title V of this Act, including support for any personnel increases within the Veterans Benefits Administration.

CONSTRUCTION, MAJOR PROJECTS

The amended bill recommends $396,377,000 for Construction, Major Projects to accelerate and complete planned major construction of Level I polytrauma rehabilitation centers as identified in the Department of Veterans Affairs' Five Year Capital Plan.

Polytrauma Center Initiative.—The nature of combat in Iraq and Afghanistan has resulted in new patterns of polytraumatic injuries and disabilities requiring specialized intensive rehabilitation and high coordination of care. Operating under a national Memorandum of Agreement with the Department of Defense (DOD), the Department of Veterans Affairs (VA) polytrauma rehabilitation centers continue to provide treatment and care to severely injured combat personnel requiring polytrauma inpatient rehabilitation. The medical care the VA is providing to military personnel is exceptional. However, space in the existing polytrauma facilities is dated, with cramped quarters and treatment facilities scattered throughout hospital campuses. These inefficiencies prove to be difficult for patients with mobility issues, compromised immune systems, and those suffering from psychological wounds. In an effort to accelerate the VA's planned expansion and consolidation of polytrauma rehabilitation centers on existing hospital campuses as outlined in the Department's February 2008 Five Year Capital Plan, the amended bill recommends providing $396,377,000 to fully fund the design and construction of these crucial projects.

GENERAL PROVISIONS, THIS CHAPTER

The amended bill includes the following general provisions for this chapter:

Section 1301 provides an additional appropriation for Military Construction, Army for the acceleration of barracks improvements at Army installations.

Section 1302 relates to the Armed Forces Institute of Pathology.

Section 1303 relates to the collection of certain debts owed to the Department of Veterans Affairs by service members killed in a combat zone.

CHAPTER 4—DEPARTMENT OF STATE AND FOREIGN OPERATIONS

SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008

INTRODUCTION

The budget request totals $5,073,608,000 in emergency supplemental funds for fiscal year 2008, and the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) provided $1,473,800,000 for immediate requirements. The amended bill provides for Department of State, Foreign Operations and Related Programs a total of $5,164,108,000, which is $90,500,000 above the pending budget request.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The budget request included $2,283,008,000 for Diplomatic and Consular Programs, of which $575,000,000 was appropriated in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) for operations and security at the United States Embassy in Iraq.

The amended bill includes an additional $1,465,700,000 for Diplomatic and Consular Programs, which is $242,308,000 below the pending request. Within the amount provided, $210,400,000 is for worldwide security protection. Funds for diplomatic and consular programs are to be allocated as follows:

DIPLOMATIC AND CONSULAR PROGRAMS

($ in thousands)

Activity	Pending request	Amended bill	Change from request
Iraq Diplomatic Operations	1,545,608	1,150,000	−395,608
Afghanistan—Operations and Worldwide Security Protection	162,400	200,200	37,800
Pakistan—Operations	0	7,500	7,500
Western Hemisphere Travel Initiative	0	1,000	1,000
Worldwide Security Protection	0	48,000	48,000
Civilian Workforce Initiative	0	55,000	55,000
Public Diplomacy	0	4,000	4,000
Total, Diplomatic and Consular Programs	1,708,008	1,465,700	−242,308

Afghanistan.—Within the total, the amended bill includes $200,200,000, which is $37,800,000 above the request, for necessary expenses for diplomatic and security operations in Afghanistan. Of this amount, $162,400,000 is for enhanced security operations, including additional high threat protection teams, increased overhead cover and physical security measures, replacement of armored vehicles, and local guard service. In addition, $19,000,000 is for the establishment of a Department of State-managed air transport capability in Afghanistan for Department of State and United States Agency for International Development (USAID) personnel to manage country programs, provide support for medical evacuation, and other security-related operations. Finally, $18,800,000 is for support of operations and personnel for Provincial Reconstruction Teams (PRTs) in Afghanistan.

Iraq.—Within the total, $1,150,000,000 is for the diplomatic and security operations of the United States Mission in Iraq, which is $395,608,000 below the pending request. The cost of operations of the United States Mission in Iraq totals $2,141,000,000 for fiscal year 2008, including $1,150,000,000 provided in this Act, $575,000,000 provided as bridge funding in Public Law 110–161 and $416,000,000 in funds carried over from prior year appropriations. Nearly $900,000,000 is requested for supporting security requirements for diplomatic and development personnel in Iraq.

The amended bill includes funding for mission operations, security, logistics support, information technology, and operations of PRTs. Congress has provided an additional $196,543,000 since fiscal year 2006 for follow-on facilities requirements identified by the Department of State, as follows: extend the perimeter wall; construct a dining facility; construct additional housing; construct a tactical operations center for Diplomatic Security; construct a static guard camp; and construct overhead cover. The actual cost of building the New Embassy Compound (NEC) has reached a total of $788,543,000 to date.

The number of permanent and temporary personnel assigned to Iraq, with the exception of USAID, should be decreased to accommodate all personnel within the NEC and any improvements can be made with previously appropriated funds. USAID will play a critical role in assisting the Government of Iraq in effectively allocating its budgetary resources.

The additional $43,804,000 requested for follow-on projects for the NEC in Baghdad is not included. At least $77,027,000 in prior year funding programmed for follow-on projects is available for obligation and these funds should be used to provide additional secure housing for a smaller number of personnel.

None of the funds provided under this heading in this Act shall be made available for follow-on projects, other than the proposed funding for overhead cover. The Department of State should include a detailed plan for the use of funds for follow-on projects as part of the spending plan required by this Act.

Due to an extended accreditation and verification process and the addition of follow-on projects, occupancy of the NEC offices and housing has been delayed. This rigorous process to address and validate whether the NEC was constructed to code and contract specifications was supported. Now that the process is complete, occupancy of the offices and housing should proceed without delay in order to provide the maximum protection to United States personnel.

The rationale for co-location of the Departments of State and Defense in the NEC is recognized. However, the proposed New Office Building and the Interim Office Building reconfigurations are projected to delay occupancy of NEC offices by up to one year. Given the difficult security environment in Baghdad, this lengthy delay is not acceptable. The Departments of State and Defense are expected to consult with the Committees on Appropriations on options for moving forward with limited co-location plans in the most accelerated, secure, and cost-effective manner. Any future construction in Iraq shall be subject to the Capital Security Cost Sharing Program, in the same manner as all other embassy construction projects worldwide.

There is a concern that private security contractors have been utilized without the necessary authority, oversight, or accountability. The Department of State is directed to provide a report to the Committees on Appropriations not later than 45 days after enactment of this Act on the implementation status of each of the recommendations of the October 2007 report of the Secretary of State's Panel on Personal Protective Services. The Department of State is encouraged to aggressively review security procedures and seek the necessary authority to ensure that increased security is achieved with effective oversight and accountability.

The Secretary of State should take appropriate steps to ensure that assistance for Iraq is not provided to or through any individual, private entity or educational institution that the Secretary knows or has reason to believe advocates, plans, sponsors, or engages in, terrorist activities.

Pakistan.—The amended bill includes $7,500,000 for operations, security, and personnel engaged in diplomatic activities to promote economic and political development in the Federally Administered Tribal Areas along the Pakistan and Afghanistan border.

Sudan.—The amended bill includes resources to support the diplomatic mission in Sudan including the United States Special Envoy for Sudan.

Buying Power Maintenance Account.—The amended bill provides authority to transfer funds available in this Act, and in a prior Act, to the Buying Power Maintenance Account in accordance with section 24 of the State Department Basic Authorities Act, to manage exchange rate losses in fiscal year 2008.

Civilian Workforce Initiative.—The amended bill provides $55,000,000 to increase the civilian diplomatic capacity of the Department of State to meet the increasing and complex demands of diplomacy in the 21st century. Within the total, $30,000,000 is for the initial development and deployment of a civilian capacity to respond to post-conflict stabilization and reconstruction challenges and $25,000,000 is to strengthen capabilities of the United States diplomatic corps and promote broader engagement with the rest of the world, including expanding training and enhanced interagency collaboration.

The amended bill includes funds to replace Foreign Service positions worldwide, which were previously moved to Iraq and to increase the number of positions participating in critical needs foreign language training. The Department of State has transferred approximately 300 Foreign Service positions from embassies around the world to Iraq and to associated language training, leaving key posts understaffed. These funds are to be used to support United States foreign policy in priority, understaffed regions, particularly South and East Asia, the Western Hemisphere, and Africa.

Funds made available for the civilian stabilization initiative are for the Active and Standby Response Corps portion of the initiative and to enhance operations of the Office of the Coordinator for Reconstruction and Stabilization. In addition to the funds provided to the Department of State, $25,000,000 is appropriated in this Act under the heading ''Operating Expenses of the United States Agency for International Development'' to implement the USAID portion of the civilian stabilization initiative. The funding request for the Civilian Response Corps will be considered as part of the fiscal year 2009 appropriations process and none of the funds provided in this Act are to be used to implement the Civilian Response Corps portion of the initiative.

Diplomatic Security-Worldwide Security Protection.—The amended bill also includes $48,000,000 above the request for worldwide security protection. The amount provided is available to restore 100 positions in the diplomatic security personnel that were redirected to Iraq to address urgent security requirements for United States personnel elsewhere in the world.

Directorate of Defense Trade Controls.—Increased demands on the Directorate of Defense Trade Controls' Office of Defense Trade Controls Licensing have led to delays in license processing. The Secretary of State is directed to review the workload demands and staffing needs of the office and report any recommendations to the Committees on Appropriations not later than 45 days after enactment of this Act.

Middle East Peace Process.—The security and support requirements for the personnel and operations that accompany the Middle East peace process have been, and should continue to be, supported through the operations funds available in fiscal year 2008. Any additional requirements associated with these activities will be considered during the fiscal year 2009 appropriations process.

Public Diplomacy.—The amended bill includes $4,000,000 for the Office of Public Diplomacy and Public Affairs to expand new media for targeted Arabic language television programs for the purpose of fostering cultural, educational, and professional dialogues through indigenous Arabic language satellite media.

Western Hemisphere Travel Initiative.—The amended bill recommends not less than $1,000,000 to expand public outreach efforts related to implementation of the Western Hemisphere Travel Initiative (WHTI). With WHTI implementation occurring as early as June 2009, there is concern about the lack of a comprehensive, coordinated plan between the Department of State, the Department of Homeland Security, and the United States Postal Service to broadly disseminate information to the traveling public concerning the final WHTI implementation requirements at the Nation's land and sea ports. The Department of State is encouraged to provide significantly increased outreach to border communities, including through radio, print media, and additional passport fairs.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes an additional $9,500,000 for Office of Inspector General (OIG) at the Department of State, which is $9,500,000 above the pending request. Of the total, $5,000,000 is to enhance the Department of State Inspector General's oversight of programs in Iraq and Afghanistan, $2,500,000 is for operations of the Special Inspector General for Iraq Reconstruction (SIGIR), and $2,000,000 is for operations of the Special Inspector General for Afghanistan Reconstruction (SIGAR).

The Department of State OIG, USAID OIG, SIGIR, and SIGAR each have independent oversight responsibilities in Iraq and Afghanistan. The inspectors general should, to the maximum extent practicable, coordinate, and de-conflict all activities related to oversight of assistance programs for the reconstruction of Iraq and Afghanistan to ensure that oversight resources are used effectively and are not unnecessarily duplicative.

To ensure continuity of oversight of permanent United States Missions, the USAID OIG and the Department of State OIG are expected to actively participate in oversight of all programs funded by this Act and prior Acts making appropriations for the Department of State and foreign operations, in particular oversight of diplomatic and development operations and facilities. Joint oversight with SIGIR or SIGAR is strongly encouraged; however once fully staffed, the Department of State OIG or the USAID OIG should, to the maximum extent practicable, be designated as the lead for any joint oversight conducted with SIGIR or SIGAR of funds involving diplomatic operations and facilities in Iraq and Afghanistan.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The amended bill includes an additional $76,700,000 for urgent embassy security, construction, and maintenance costs, which is $83,300,000 below the request. The funds are to construct 300 secure apartments and a secure office building, including the necessary perimeter security, utility, and dining facilities, for United States Mission staff in Afghanistan. Currently, there are a small number of permanent construction apartments and the majority of diplomatic and Mission personnel live in structures with limited protection. Additional funds for this purpose are provided in subchapter B.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The amended bill includes $66,000,000 for Contributions to International Organizations, which is for United States contributions to the UN Assistance Mission in Afghanistan and the UN Assistance Mission in Iraq. Funding is also provided to meet fiscal year 2008 assessed dues to organizations whose missions are critical to protecting United States national security interests, including the North Atlantic Treaty Organization, the International Atomic Energy Agency, and the Organization for the Prohibition of Chemical Weapons.

The Department of State is directed not later than 45 days after enactment of this Act, to provide a report to the Committees on Appropriations detailing total United States-assessed contributions, any arrears from prior years and potential arrears for fiscal years 2008 and 2009 for each of the organizations funded under this heading.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The budget request included $723,600,000 for Contributions for International Peacekeeping Activities, of which $390,000,000 of funds designated as an emergency was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) for the United States contribution to the United Nations/African Union (UN/AU) hybrid peacekeeping mission to Darfur (UNAMID).

The amended bill includes an additional $373,708,000 for assessed costs to UN peacekeeping operations. Within the total under this heading, not less than $333,600,000 is provided for UNAMID, which is the same as the request. Additionally, the amended bill includes $40,108,000 to meet unmet fiscal year 2008 assessed dues for the international peacekeeping missions to countries such as the Democratic Republic of the Congo, Côte d'Ivoire, Haiti, Liberia, and Sudan.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The amended bill includes an additional $2,000,000 for International Broadcasting Operations to continue increased broadcasting to Tibet.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DISASTER ASSISTANCE

The budget request included $80,000,000 for International Disaster Assistance. The Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) provided $110,000,000 for emergency humanitarian requirements.

The amended bill includes $220,000,000 for International Disaster Assistance, which is $220,000,000 above the pending request. These funds should be used to respond to urgent humanitarian requirements worldwide, including in Burma, Bangladesh, the People's Republic of China, and countries severely affected by the international food crisis.

USAID is directed to substantially increase food assistance for Haiti to address critical food shortages and malnutrition. Preventing hunger and combating poverty in Haiti should be a USAID priority.

As the State Peace and Development Council (SPDC) has compounded the humanitarian crisis in Burma by failing to respond to the needs of the Burmese people in the wake of Cyclone Nargis and by refusing offers of assistance from the international community, the Department of State and USAID should seek to avoid providing assistance to or through the SPDC.

The amended bill also includes funds under this heading and the heading ''Development Assistance'' in subchapter B to help address the international food crisis. Programs should address both rural and urban food requirements.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The budget request included $61,800,000 for Operating Expenses of the United States Agency for International Development, of which $20,800,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) for operations in Iraq.

The amended bill includes $150,500,000 for Operating Expenses of the United States Agency for International Development.

Of the funds provided under this heading, the amended bill includes $41,000,000 to continue support for security needs in Iraq and Afghanistan, which is the same as the request. In addition, $30,000,000 is included to increase support for staffing, security, and operating needs in Afghanistan and Sudan, and $19,500,000 in Pakistan.

The amended bill also includes $25,000,000 to support the development and deployment of a civilian capacity to respond to post-conflict stabilization and reconstruction needs. Funds made available for the civilian stabilization initiative are for the Active and Standby Response Corps portion of the initiative and none of the funds provided in this Act may be used to develop the Civilian Response Corps. Additional funding for this initiative is provided in the ''Diplomatic and Consular Programs'' account for the Department of State portion of the initiative.

In addition, the amended bill includes $35,000,000 to enable USAID to hire above attrition in fiscal year 2008. The Administration's request for fiscal year 2009 includes $92,000,000 for hiring 300 USAID foreign service officers as part of a three-year initiative. Funding provided in this Act is intended to support the hiring of additional Foreign Service officers in fiscal year 2008 in order to begin rebuilding the capacity of the Agency to carry out its mission. USAID is directed to consult with the Committees on Appropriations on the use of these funds and to recruit mid-career personnel. As USAID seeks to strengthen its workforce, USAID is encouraged to consult with the Department of Defense on ways to benefit from the experience of retiring officers, including establishment of a transition program.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

The amended bill includes an additional $4,000,000 for the United States Agency for International Development Office of Inspector General to support increased oversight of programs in Iraq and Afghanistan.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The budget request included $2,217,000,000 for Economic Support Fund (ESF), of which $208,000,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) for emergency requirements in the West Bank and in North Korea, as requested.

The amended bill includes $1,882,500,000 for ESF, which is $126,500,000 below the request. An additional $75,000,000 is provided under the heading Democracy Fund for political development programs for Iraq. Funds are to be allocated as follows:

ECONOMIC SUPPORT FUND

($ in thousands)

Country and region	Amended bill
Afghanistan	859,000
Bangladesh	25,000
Central America	25,000
Central African Republic	1,000
Chad	2,000
Democratic Republic of the Congo	12,500
Iraq	424,000
Jordan	175,000
Kenya	12,000

ECONOMIC SUPPORT FUND—Continued

($ in thousands)

Country and region	Amended bill
Mexico	20,000
Nepal	7,000
North Korea	53,000
Philippines	15,000
Sri Lanka	6,000
Sudan	45,000
Thailand	2,500
Uganda	17,500
West Bank and Gaza	171,000
Zimbabwe	5,000
Exchanges Africa	5,000
Total	1,882,500

Iraq.—The amended bill includes $424,000,000 for Iraq, which is $373,000,000 below the request. The sums provided enable the Department of State and USAID to continue programs in Iraq through the end of fiscal year 2008 and into the first two quarters of fiscal year 2009. After providing more than $45,000,000,000 to help rebuild Iraq, the United States should reduce bilateral assistance levels and reduce the number of Department of State personnel involved in the reconstruction effort who are located in Iraq. Funds provided for Iraq are to be allocated as follows:

IRAQ PROGRAMS

($ in thousands)

Activity	Pending request	Amended bill	Change from request
Provincial Reconstruction Teams (PRTs)	165,000	139,000	−26,000
Provincial Reconstruction Development Councils	100,000	85,000	−15,000
Local Governance Program	65,000	54,000	−11,000
Community Stabilization Program (CSP)	155,000	100,000	−55,000
Community Action Program (CAP)	0	75,000	75,000
Infrastructure Security Protection for Oil, Water and Electricity	70,000	0	−70,000
Operations and Maintenance of Key USG-Funded Infrastructure	134,000	10,000	−124,000
Iraqi-American Enterprise Fund	25,000	0	−25,000
Provincial Economic Growth (including Agriculture and Microfinance)	0	25,000	25,000
National Capacity Development	248,000	70,000	−178,000
Marla Fund	0	5,000	5,000
Total	797,000	424,000	−373,000

Community Action Program (CAP).—The amended bill includes $75,000,000 for continued support for the Community Action Program.

Community Stabilization Program (CSP).—The amended bill includes $100,000,000 for the CSP, which is $55,000,000 below the request. Recent findings of a March 18, 2008 USAID Inspector General audit (E–267–08–001–P) of possible fraud and misuse of some CSP funds are of concern. Therefore the amended bill withholds 50 percent of funding until the Secretary of State certifies and reports that USAID is implementing recommendations contained in the audit to ensure proper use of funds.

Enterprise Fund.—The amended bill does not include any funding for the creation, capitalization, operation, or support of any enterprise fund in Iraq. The Department of State is directed not to reprogram any funds made available by this or prior Acts for an enterprise or enterprise-related fund in Iraq.

Infrastructure Security Protection for Oil, Water, and Electricity.—The amended bill does not include funding for these functions, which should be supported by the Government of Iraq.

Marla Ruzicka Iraqi War Victims Fund.—The amended bill includes $5,000,000 for the Marla Ruzicka Iraqi War Victims Fund for continued assistance for Iraqi civilians who suffer losses as a result of the military operations.

National Capacity Development (NCD).—Within the amount provided in ESF for Iraq, $70,000,000 is provided for NCD, which is $178,000,000 below the request. The Government of Iraq should assume increasing responsibility for the cost of these activities.

Operations and Maintenance of Key U.S. Government-Funded Infrastructure.—The amended bill includes $10,000,000 for operations and maintenance of key United States government-funded infrastructure, which is $124,000,000 below the request. These functions should be funded by the Government of Iraq and this Act includes sufficient funding to allow the United States to provide technical assistance and training. In addition, the amended bill conditions the funds on the signing and implementation of an asset transfer agreement between the United States and Iraq.

Provincial Economic Growth.—The amended bill includes $25,000,000 for provincial economic growth activities.

Vulnerable Groups.—Up to $10,000,000 of funds made available for Iraq in this chapter, including from the Migration and Refugee Assistance and International Disaster Assistance accounts, should be made available for programs to assist vulnerable Iraqi religious and ethnic minority groups, including Christians. The Secretary of State should designate staff at United States Embassy Baghdad to oversee and coordinate such assistance.

Afghanistan.—The amended bill includes $859,000,000 in ESF for Afghanistan, which is $25,000,000 above the request. USAID is directed to review its reconstruction efforts in Afghanistan; focus its assistance, including capacity building, through local Afghan entities; give greater attention to accountability and monitoring to minimize corruption; and emphasize programs which directly improve the economic, social, and political status of Afghan women and girls. Funds provided for Afghanistan are to be allocated as follows:

AFGHANISTAN PROGRAMS

($ in thousands)

Activity	Pending request	Amended bill	Change from request
Civilian Assistance Program	0	10,000	+10,000
Governance and Capacity Building	135,000	165,000	+30,000
2009 Elections	100,000	70,000	−30,000
National Solidarity Program	40,000	65,000	+25,000
Health and Education	50,000	75,000	+25,000
North Atlantic Treaty Organization POHRF	0	2,000	+2,000
Power	175,000	150,000	−25,000
Provincial Reconstruction Teams (PRTs)/Provincial Governance	0	50,000	+50,000
Roads	329,000	200,000	−129,000
Rural Development/Alternative Livelihoods	0	65,000	+65,000
Trade and Investment	5,000	7,000	+2,000
Total	834,000	859,000	25,000

Civilian Assistance.—The amended bill includes $10,000,000 for USAID's Afghan Civilian Assistance Program to continue assistance for civilians who have suffered losses as a result of the military operations, and $2,000,000 for the NATO/ISAF Post-Operations Humanitarian Relief Fund.

Governance and Capacity Building.—The amended bill provides $165,000,000 for governance and capacity building programs, which is $30,000,000 above the request, to fund rule of law, human rights, and local and national capacity building.

National Solidarity Program.—The amended bill includes $65,000,000 for the National Solidarity Program to support small-scale development initiatives. The funding shall be programmed in a manner consistent with the Afghan National Development Strategy.

Power.—The amended bill includes $150,000,000 for power, which is $25,000,000 below the request. The request includes funding for gas and diesel power projects and there is a concern that diesel generators are costly to maintain and will exacerbate Kabul's already heavily polluted air. The completion of the north-south transmission line to enable Afghanistan to purchase electricity from its northern neighbors for distribution to other areas of the country is supported. Funding for the Northern Electrical Power System or the Shebergan Gas-

Fired Plant is not included. The World Bank should play a larger role in financing such infrastructure projects.

It is noted that Afghanistan has considerable potential for small hydro and solar power development to service Afghanistan's many remote communities that have no other access to electricity, and not less than $15,000,000 of the funds shall be used for renewable energy projects in rural areas.

Provincial Reconstruction Teams.—The amended bill provides $50,000,000 for PRTs in Afghanistan.

Roads.—The amended bill includes $200,000,000 for roads, which is $129,000,000 below the request.

Rural Development and Alternative Livelihoods.—The amended bill includes $65,000,000 for rural development and alternative livelihood programs and an additional $35,000,000 for counternarcotics under the ''International Narcotics Control and Law Enforcement'' account to expand counternarcotics programs in Afghanistan. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

2009 Elections.—The amended bill includes $70,000,000 for preparations for the 2009 elections.

Bangladesh.—The amended bill includes $25,000,000 for assistance for Bangladesh for cyclone recovery and reconstruction assistance.

Central America.—The amended bill includes $25,000,000 for the countries of Central America in fiscal year 2008, in addition to funds otherwise made available for assistance for these countries, for a program to be called the ''Economic and Social Development Fund for Central America'', of which $20,000,000 is to be administered by USAID, in consultation with the Department of State. The purpose of the program is to promote economic and social development and good governance in targeted, low-income areas, including rural communities that are particularly vulnerable to drug trafficking and related violence and organized crime. These funds should support programs that emphasize community initiatives and public-private partnerships. United States funds should be matched with contributions from public and private sources to the maximum extent practicable. USAID is directed to consult with the Committees on Appropriations prior to the obligation of these funds. Of the funds available, $5,000,000 shall be administered by the Bureau of Educational and Cultural Affairs for educational exchanges with the countries of Central America.

Democratic Republic of the Congo.—The amended bill includes $12,500,000 for assistance for eastern Democratic Republic of the Congo for urgent conflict mitigation and recovery programs and for programs relating to sexual violence against women and girls. Of this amount, not less than $1,000,000 is to establish and support a training center for health workers who provide care and treatment for victims of sexual violence, and not less than $2,000,000 is for training military and civilian investigators, prosecutors, and judges to bring the perpetrators of such crimes to justice.

Exchanges with Africa.—The amended bill includes $5,000,000 for educational exchanges with countries in Africa, specifically to counter extremism. These funds should be administered by the Bureau of Educational and Cultural Affairs.

Jordan.—The amended bill includes a total of $200,000,000 for economic assistance for Jordan, of which $175,000,000 is appropriated under this heading, and $25,000,000 is appropriated through a general provision. The Government of Jordan remains a key ally and has played a leading role in supporting peace initiatives in the Middle East. Programming of these resources should be done in consultation with the Government of Jordan and refugee relief organizations and funds should be used to meet the needs of Iraqi refugees. The Secretary of State, after consultation with the Government of Jordan, the United Nations, and international organizations and non-governmental organizations with a presence in Iraq, is directed to submit a report to the Committees on Appropriations not later than 45 days after enactment of this Act detailing (1) short- and medium-term options the United States and other countries and organizations could pursue to assist Iraqis in Jordan to maintain their educational and vocational skills and earn income; and (2) longer term options that the United States and the Government of Jordan can take to address the economic, social and health needs of refugees from Iraq, including the feasibility of extending temporary residence status for Iraqis registered with the United Nations High Commissioner for Refugees.

Kenya.—The amended bill includes $12,000,000 for assistance for Kenya for political, ethnic and tribal reconciliation activities.

Mexico.—The amended bill includes $20,000,000 for assistance for Mexico for institution building and support of civil society. Funding for these purposes was requested through the International Narcotics and Law Enforcement (INCLE) account. The amended bill includes $5,000,000 for human rights training for police, prosecutors, and prison officials; $3,000,000 for victim and witness protection; and $3,000,000 to support NGOs and civil society. The amended bill also includes $5,000,000 for a literacy program for local police. USAID is encouraged to work with non-governmental organizations, civil society, and local police to replicate the literacy program being implemented in Nezahualcoyotl, Mexico. The amended bill also includes funding for the Office of the UN High Commissioner for Human Rights in Mexico (OHCHR). The Department of State is directed to work with the Mexican Government, the OHCHR, and civil society organizations in Mexico to promote respect for human rights by Mexican police and military forces.

Nepal.—The amended bill includes $7,000,000 for assistance for Nepal to strengthen democracy and support the peace process, including the demobilization and reintegration of ex-combatants, and for economic development programs in rural communities affected by conflict.

North Korea.—The amended bill includes up to $53,000,000 for energy-related assistance for North Korea in support of the goals of the Six-Party Talks Agreement, in addition to the $53,000,000 appropriated in division J of Public Law 110–161, which is the same as the total amount requested. Prior to the obligation of assistance for North Korea, the Secretary of State is directed to report to the Committees on Appropriations that North Korea is continuing to fulfill its commitments under the Six-Party Talks Agreement.

Pakistan.—The amended bill does not include funding for assistance for Pakistan in this subchapter. These needs are addressed in funding appropriated in the fiscal year 2009 bridge.

Philippines.—The amended bill includes $15,000,000 for assistance for the Philippines for programs to further peace and reconciliation in the southern Philippines, and recognizes the shared interest between the United States and the Philippines in combating terrorism in this region.

Sri Lanka.—The amended bill includes $6,000,000 for assistance for Sri Lanka to be provided through USAID to support economic development programs in the eastern region of Sri Lanka to solidify recent gains against the Liberation Tigers of Tamil Eelam. These funds should be used to assist Tamil and Muslim minorities in Sri Lanka.

Sudan.—The amended bill includes $45,000,000 for assistance for Sudan to support election-related activities.

Thailand.—The amended bill includes $2,500,000 for assistance for Thailand to address economic and social development needs in southern Thailand. The Department of State is directed to consult with the Committees on Appropriations prior to the obligation of these funds.

Uganda.—The amended bill includes $17,500,000 for assistance for northern Uganda. These funds should be used to support economic development, governance, assistance for war victims, and reintegration of ex-combatants.

West Bank and Gaza.—The amended bill includes not more than $171,000,000 for economic assistance for the West Bank and Gaza, which is $24,000,000 below the request. The Department of State is directed to provide a report to the Committees on Appropriations not later than 90 days after the enactment of this Act on how United States economic assistance for the West Bank supports the larger Palestinian Reform and Development Plan as well as a description of other donor support of this plan. The report should describe how assistance from the United States and other donors will improve conditions in the West Bank, including through job creation and housing programs.

Zimbabwe.—The amended bill includes $5,000,000 for assistance for Zimbabwe to support political reconciliation activities.

DEPARTMENT OF STATE

DEMOCRACY FUND

The amended bill includes $76,000,000 for Democracy Fund programs, requested under the heading ''Economic Support Fund'', to be made available as follows:

Chad.—The amended bill includes $1,000,000 for democracy activities in Chad.

Iraq.—The amended bill includes $75,000,000 for democracy activities in Iraq. These funds are intended to be available through non-governmental organizations, including the National Endowment for Democracy, and not less than $8,000,000 for the United States Institute of Peace. These funds should be awarded expeditiously to prevent interruption of current operations.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The amended bill includes $390,300,000 for International Narcotics Control and Law Enforcement (INCLE) activities in Afghanistan, Iraq, Mexico, Central America, Haiti, the Dominican Republic, and the West Bank, which is $343,700,000 below the request. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

Iraq.—The amended bill includes $85,000,000 for Iraq for justice and rule of law programs, which is $74,000,000 below the request. Funding for prison construction is not included.

Afghanistan.—The amended bill includes $35,000,000, which is $35,000,000 above the request, to support programs to strengthen counternarcotics efforts, to improve the training of the Afghan police, including border police, to advance the development of institutional capacity professionalism of the justice sector, and to help facilitate cooperation between the police and the judiciary at both the national and regional levels. The Department of State is directed to report to the Committees on Appropriations not later than 180 days after enactment of this Act on the level of counternarcotics cooperation by

the Government of Afghanistan at the national and regional level and should detail, nationally and by province, the steps that the Government of Afghanistan is taking to arrest and prosecute leaders of Afghan drug cartels; disarm and disband private militias; and end corruption among national and provincial police forces.

Central America.—The amended bill includes $24,800,000 for assistance for Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama, and an additional $5,000,000 for Haiti and the Dominican Republic under the Merida Initiative. Although funding was requested only through the INCLE account, funding for the Merida Initiative is provided in the accounts from which such activities are traditionally funded. The amended bill provides funding for specialized police training and non-lethal equipment to strengthen the law enforcement and criminal justice institutions for the purpose of combating drug trafficking and related violent crime and increasing the capacity and professionalism of Central American police forces.

Impunity within the military and police forces of several of these countries and corruption within their justice systems is of concern. The Secretary of State is directed to submit a report in writing on mechanisms in place to ensure eligibility of recipients of United States assistance.

The omission of Haiti and the Dominican Republic from the request for the Merida Initiative makes it more likely that these vulnerable countries would become increasingly favored transit routes for drug traffickers. The amended bill includes $2,500,000 for Haiti and $2,500,000 for the Dominican Republic as part of the Merida Initiative to support counternarcotics and border security programs, anti-corruption, judicial reform, institution-building, and rule of law programs.

Mexico.—There is a shared responsibility between the United States and Mexico to combat drug trafficking and related violence and organized crime. The amended bill includes $215,500,000 to support programs to enable the Government of Mexico to respond to these threats in accordance with the rule of law. The amended bill includes $10,000,000 for demand reduction and drug rehabilitation activities; $3,000,000 to provide technical and other assistance to enable the Government of Mexico to put into service a unified national police registry; and not more than $24,000,000 for program development and support. To the extent possible, any equipment and technology purchases should be interoperable based on open standards with the equipment and technology being used by their United States Government counterparts.

Corruption and impunity within Mexico's military and police forces are of concern. Recommendations of the National Human Rights Commission have been ignored and investigations of violations of human rights by Mexican military and police forces rarely result in convictions. The Secretary of State, in consultation with relevant Mexican Government authorities, is directed to report to the Committees on Appropriations that mechanisms are in place to ensure eligibility of recipients of United States assistance.

There is concern with the failure to investigate and prosecute the police officers responsible for human rights violations, including rape and sexual violence against women, at San Salvador Atenco on May 3–4, 2006, and in Oaxaca between June and December 2006. These and other such violations by members of the Mexican military and police forces have been documented and require thorough, credible and transparent investigation and prosecution by the Mexican Attorney General.

The state and Federal investigations into the October 27, 2007, killing in Oaxaca of American citizen Bradley Will have been flawed and the Secretary of State is directed, not later than 45 days after enactment of this Act and 120 days thereafter, to submit a report to the Committees on Appropriations detailing progress in conducting a thorough, credible, and transparent investigation to identify the perpetrators of this crime and bring them to justice. The Department of State should work with Mexican Government authorities and relevant Federal government agencies of the United States to assist in the investigation of this case.

West Bank.—The amended bill includes $25,000,000 for ongoing training of vetted units of the Palestinian National Security Forces, which is the same as the request.

MIGRATION AND REFUGEE ASSISTANCE

The budget request included $230,000,000 for Migration and Refugee Assistance, of which $200,000,000 was provided in the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) for emergency refugee requirements in Iraq and the West Bank and Gaza.

The amended bill includes $315,000,000 for Migration and Refugee Assistance, which is $285,000,000 above the pending request. Funds should be made available to meet unmet global refugee needs, including to assist Iraqi refugees in Jordan, Syria, Lebanon, Turkey, Egypt, and the surrounding region, as well as internally displaced persons in Iraq. Funds may also be used, if necessary, for the admissions costs of Iraqis granted special immigrant status under the Special Immigrant Visa program authorized by the National Defense Authorization Act of 2008. In addition, funds may be used to offset administrative costs associated with the expanded requirements of the Iraqi refugee program, in consultation with the Committees on Appropriations.

The humanitarian crisis involving Iraqi refugees and internally displaced persons is of concern and the Government of Iraq has dedicated insufficient resources to assist this most vulnerable segment of the Iraqi population. The Department of State shall urge the Government of Iraq to provide a substantial increase in funding for humanitarian assistance to the Iraqi refugee population residing in the region and within the country. In addition, the Secretary of State should ensure that the Senior Coordinator for Iraqi Refugee Issues gives particular attention to the needs of vulnerable minority groups, including ethnic and religious minorities.

The welfare and security of the 7,900 Lao Hmong in the Thai military camp in Petchaboon, northern Thailand is of concern and the Department of State is directed to urge the Government of Thailand to support a transparent screening process to identify those who have a legitimate fear of return to Laos. Any attempt to force the return of Hmong refugees to Laos is strongly opposed.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

The amended bill includes $31,000,000 for the United States Emergency Refugee and Migration Assistance Fund to prevent depletion of this emergency fund.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The amended bill includes $13,700,000 for Nonproliferation, Anti-terrorism, Demining and Related Programs (NADR), which is $8,700,000 above the request.

Of these funds, $5,000,000 is for presidential protective service support in Afghanistan, which is the same as the request, and $2,500,000 is for a United States contribution to the Comprehensive Test Ban Treaty International Monitoring System.

Central America.—The amended bill also includes $6,200,000 for the Merida Initiative for the countries of Central America, which is $6,200,000 above the request. Although funding for these purposes was requested only through the INCLE account, funding has been provided in the NADR account, from which such activities are traditionally funded.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The amended bill includes $137,500,000 for Foreign Military Financing Program, which is $137,500,000 above the request.

Central America.—The amended bill includes $4,000,000 to augment the ongoing naval cooperation program and maritime security assistance to strengthen the ability of the countries of Central America to improve maritime security and interdiction capabilities, including to complement existing regional systems and programs.

Jordan.—The amended bill includes a total of $50,000,000 for military assistance for Jordan, of which $17,000,000 is appropriated under this heading and $33,000,000 is appropriated through a general provision.

Mexico.—The amended bill includes $116,500,000 in support of military-to-military cooperation between the United States and Mexico.

SUBCHAPTER B—BRIDGE FUND SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2009

The budget request totals $3,605,000,000 in emergency supplemental funds for fiscal year 2009. The amended bill provides a total of $3,679,500,000 for the Department of State, Foreign Operations and Related Programs for fiscal year 2009 emergency supplemental requirements, which is $74,500,000 above the request.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The amended bill includes $704,900,000 for Diplomatic and Consular Programs. Within this amount, $78,400,000 is available for worldwide security protection and not more than $550,500,000 is available as a bridge fund for Iraq operations.

To meet increased security and personnel requirements, the amended bill includes $89,400,000 for Afghanistan, $7,000,000 for Pakistan, $3,000,000 for Somalia, and $15,000,000 for Sudan. In addition, the amended bill includes $40,000,000 to continue the support of new positions to develop language and other critical skills of the diplomatic corps and for civilian post-conflict stabilization initiatives.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes $57,000,000 for Office of Inspector General at the Department of State, of which $15,500,000 is to continue oversight of programs in Iraq and Afghanistan, and the Middle East.

Special Inspector General for Iraq Reconstruction (SIGIR).—The amended bill includes $36,500,000 for SIGIR for continued oversight of United States reconstruction programs in Iraq, as authorized by section 3001 of Public Law 108–106.

Special Inspector General for Afghanistan Reconstruction (SIGAR).—The amended bill includes $5,000,000 for SIGAR, which is $5,000,000 above the request, and which is authorized by section 1229 of Public Law 110–181. Such funds shall be used for oversight of United States reconstruction programs in Afghanistan. None of the funds shall be used to duplicate investigations that have been

conducted or to support offices or systems of inspectors general at the Department of State or USAID. SIGAR should co-locate staff and ''back office'' support systems with other inspectors general to the extent feasible.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The amended bill includes $41,300,000 for urgent embassy security, construction, and maintenance costs. Funds should be used to construct safe and secure office space for the increasing number of diplomatic and development personnel living and working in Kabul, Afghanistan.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The amended bill includes $75,000,000 for Contributions to International Organizations.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The amended bill includes $150,500,000 for Contributions for International Peacekeeping Activities to fund the Administration's revised estimate of the United States-assessed contribution to international peacekeeping.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTNG OPERATIONS

The amended bill includes $6,000,000 for International Broadcasting Operations.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

GLOBAL HEALTH AND CHILD SURVIVAL

The amended bill includes $75,000,000 for Global Health and Child Survival to continue programs to combat avian influenza.

DEVELOPMENT ASSISTANCE

The amended bill includes $200,000,000 for Development Assistance, which is for a new Food Security Initiative to promote food security in countries affected by significant food shortages, such as programs to assist farmers to increase crop yields, including in Darfur. Of this amount, up to $50,000,000 should be used for local and regional purchase. The Secretary of State is directed to submit a report to the Committees on Appropriations not later than 45 days after enactment of this Act, and prior to the initial obligation of funds, on the proposed uses of funds to alleviate starvation, hunger, and malnutrition overseas, including a list of those countries facing significant food shortages.

INTERNATIONAL DISASTER ASSISTANCE

The amended bill includes $200,000,000 for International Disaster Assistance to meet urgent humanitarian requirements worldwide, including support for critical needs in Bangladesh, Burma, and the People's Republic of China. A portion of these funds should be used for assistance for internally displaced persons in Iraq and Afghanistan. In addition, funds are available under this heading to assist in the response to the international food crisis.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The amended bill includes $93,000,000 for Operating Expenses of the United States Agency for International Development to address staffing, security, and operating needs.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

The amended bill includes $1,000,000 for Operating Expenses of the United States Agency for International Development Office of Inspector General.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The amended bill includes $1,124,800,000 for Economic Support Fund to address critical health, economic, and security needs. These funds are to be allocated as follows:

ECONOMIC SUPPORT FUND

($ in thousands)

Country and region	Amended bill
Afghanistan	455,000
Bangladesh	50,000
Burma	5,300
Central African Republic	2,000
Chad	5,000
Democratic Republic of the Congo	10,000
Iraq	102,500
Jordan	100,000
Kenya	25,000
North Korea	15,000
Pakistan	150,000
Sudan	25,000
Uganda	15,000
West Bank and Gaza	150,000
Zimbabwe	15,000
Total	1,124,800

Afghanistan.—The amended bill includes $455,000,000 for assistance for Afghanistan.

Governance and Capacity Building.—The amended bill includes $20,000,000 for the National Solidarity Program to support small-scale development initiatives; and not less than $35,000,000 for preparations for the 2009 elections. The funding shall be programmed in a manner consistent with the Afghan National Development Strategy.

Rural Development and Alternative Livelihoods.—The amended bill includes not less than $35,000,000 for rural development and alternative livelihoods.

Bangladesh.—The amended bill includes $50,000,000 for cyclone recovery and reconstruction assistance.

Burma.—The amended bill includes $5,300,000 for assistance for Burma for humanitarian programs along the Thai-Burma border.

Iraq.—The amended bill includes $102,500,000 for assistance for Iraq.

Community Action Program (CAP).—The amended bill includes $32,500,000 for continued support for the Community Action Program.

Community Stabilization Program (CSP).—The amended bill includes $32,500,000 for continued support for the Community Stabilization Program.

Marla Ruzicka Iraqi War Victims Fund.—The amended bill includes $2,500,000 for the Marla Ruzicka Iraqi War Victims Fund for continued assistance for Iraqi civilians who suffer losses as a result of the military operations.

Provincial Reconstruction Teams (PRTs).—The amended bill includes $35,000,000 for continued support for the Provincial Reconstruction Teams.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The amended bill includes $199,000,000 for International Narcotics Control and Law Enforcement activities in Iraq, Afghanistan, the West Bank, Mexico, and Africa. The Secretary of State is directed to consult with the Committees on Appropriations on the use of these funds.

MIGRATION AND REFUGEE ASSISTANCE

The amended bill includes $350,000,000 for Migration and Refugee Assistance to respond to urgent humanitarian and refugee admissions requirements, including those involving refugees from Iraq, Afghanistan, and central Africa.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING, AND RELATED PROGRAMS

The amended bill includes $4,500,000 for Nonproliferation, Anti-terrorism, Demining and Related Programs, for humanitarian demining in Iraq.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The amended bill includes $302,500,000 for Foreign Military Financing Program, of which $100,000,000 is for assistance for Jordan, $170,000,000 is for assistance for Israel, and $32,500,000 is for assistance for Lebanon.

PEACEKEEPING OPERATIONS

The amended bill includes $95,000,000 for Peacekeeping Operations for programs in Africa to address needs beyond those projected in the fiscal year 2009 budget request, including for Darfur and $10,000,000 for Peacekeeping Operations in the Democratic Republic of the Congo (DRC). These funds are made available to support infantry battalions of the DRC armed forces, to protect vulnerable civilians in the eastern region of the country, and should be made available in accordance with thorough vetting procedures. The Department of State should ensure that trained units are being provided professional leadership, appropriate training in human rights, and adequate pay.

SUBCHAPTER C—GENERAL PROVISIONS, THIS CHAPTER

The amended bill includes the following general provisions for this chapter:

EXTENSION OF AUTHORITIES

Section 1401 extends certain authorities necessary to expend Department of State and foreign assistance funds.

IRAQ

Section 1402 imposes certain conditions and limitations on assistance for Iraq and requires reports.

AFGHANISTAN

Section 1403 imposes certain conditions and limitations on assistance for Afghanistan and requires a report.

WEST BANK

Section 1404 directs the Department of State to provide a report to the Committees on Appropriations not later than 90 days after enactment of this Act, and 180 days thereafter, on the Palestinian security assistance program.

WAIVER OF CERTAIN SANCTIONS AGAINST NORTH KOREA

Section 1405 grants waiver authority to the President with respect to certain assistance to North Korea and the ''Glenn Amendment,'' which established automatic sanctions in the Arms Export Control Act on non-nuclear weapon states that detonate a nuclear device.

MEXICO

Section 1406 sets a ceiling on funding for Mexico at $400,000,000. The provision also provides a restriction on the use of funding for budget support or cash payments and restricts obligation of 15 percent of the funding provided under the headings ''Foreign Military Financing Program'' and ''International Narcotics Control and Law Enforcement'' until the Secretary of State submits a report in writing.

CENTRAL AMERICA

Section 1407 states that $65,000,000 may be made available for the countries of Central America, Haiti and the Dominican Republic and prohibits the use of funding for budget support or cash payments. The provision restricts obligation of 15 percent of the funding provided under the headings ''Foreign Military Financing Program'' and ''International Narcotics Control and Law Enforcement'' for the military and police forces until the Secretary of State submits a report in writing.

BUYING POWER MAINTENANCE ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Section 1408 provides authority to utilize $26,000,000 from appropriations for Diplomatic and Consular Programs from a prior Act and authority to transfer up to an additional $74,000,000 of the funds made available by this Act to the Buying Power Maintenance Account to manage exchange rate losses in fiscal year 2008. The Department of State shall consult on any proposed transfers resulting from this authority. The Department of State estimates the impact of currency fluctuations to be at least $260,000,000 on United States diplomatic operations worldwide.

In addition, the provision includes authority to transfer unobligated and expired balances after fiscal year 2008 into the Buying Power Maintenance Account to address future exchange rate losses. The Secretary of State shall submit a report to the Committees on Appropriations not later than October 15, 2008, on the amount transferred by this authority in this or any fiscal year, the total amount of exchange rate losses in fiscal year 2008, and the accumulated impact of losses from prior years.

Finally, authority is granted to the Broadcasting Board of Governors to transfer unobligated and expired balances after fiscal year 2008 into its Buying Power Maintenance Account.

SERBIA

Section 1409 authorizes the Secretary of State to withhold funds related to reimbursement of costs associated with damage to the United States Embassy in Belgrade resulting from the February 21, 2008, attack.

RESCISSIONS

Section 1410 rescinds prior year funds and makes them available for a contribution to the World Food Program and for programs in the INCLE account. The provision also rescinds prior year funds from the Iraq Relief and Reconstruction Fund.

DARFUR PEACEKEEPING

Section 1411 authorizes the President to utilize prior year Foreign Military Financing Program and Peacekeeping Operations funds for transfer or lease of helicopters or related equipment necessary for operations of the AU/UN hybrid peacekeeping mission in Darfur.

TIBET

Section 1412 provides up to $5,000,000 for the establishment of a United States Consulate in Lhasa, Tibet, under the headings ''Diplomatic and Consular Programs'' and ''Embassy Security, Construction and Maintenance'' in this and prior Acts, and recommends certain actions regarding the opening of such a consulate.

The Secretary of State is directed to submit a report to the Committees on Appropriations not later than 90 days after enactment of this Act detailing efforts taken by the Department of State to establish a United States Consulate in Lhasa, Tibet, and a description of any policies or programs by the Government of the People's Republic of China aimed at undermining public support for Tibet including in the media, academia, and political arenas.

JORDAN

(INCLUDING RESCISSION OF FUNDS)

Section 1413 provides $58,000,000 for assistance for Jordan, which is offset by a rescission of an equal amount from the Millennium Challenge Corporation.

ALLOCATIONS

Section 1414 requires that funds in the specified accounts shall be allocated as indicated in the respective tables in this explanatory statement. Any change to these allocations shall be subject to the regular notification procedures of the Committees on Appropriations.

REPROGRAMMING AUTHORITY

Section 1415 allows for reprogramming of funds made available in prior years to address critical food shortages, subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

SPENDING PLANS AND NOTIFICATION PROCEDURES

Section 1416 requires the Secretary of State to provide detailed spending plans to the Committees on Appropriations on the uses of funds appropriated in subchapters A and B. These funds are also subject to the regular notification procedures of the Committees on Appropriations.

TERMS AND CONDITIONS

Section 1417 establishes that unless designated otherwise in this chapter, the terms and conditions contained within the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (Public Law 110–161) shall apply to funds appropriated by this chapter, with the exception of section 699K.

TITLE II—DOMESTIC MATTERS

CHAPTER 1—FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The amended bill provides an additional $150,000,000 for Food and Drug Administration, Salaries and Expenses, available until September 30, 2009. FDA is directed to provide the Committees on Appropriations monthly expenditures reports on the use of these funds.

CHAPTER 2—COMMERCE, JUSTICE, AND SCIENCE

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The amended bill includes $210,000,000 for increased costs associated with the poor management of the 2010 Decennial Census. Within the funds provided, not less than $50,300,000 shall be used to restore funding associated with the approved March 26, 2008 reprogramming within the Bureau of the Census. Funds transferred pursuant to the reprogramming to address immediate shortfalls within the Field Data Collection Automation contract from the American Community Survey, Census Coverage Measurement activities, and other Census activities may result in increased risk and other unintended consequences to other parts of the Census. The $50,300,000 shall be available solely to complete previously planned activities and address vacancies in the aforementioned areas in order to reduce risk and ensure a successful 2010 Decennial Census.

The Census Bureau shall submit to the Committees on Appropriations of the Senate and the House of Representatives, within 30 days of enactment of this Act, a detailed plan showing a timeline of milestones and expenditures for the 2010 Decennial Census, and shall include a quantitative assessment of the associated risk to the program as it is currently constituted. In addition, the Inspector General shall submit quarterly reports to the Committees on Appropriations, until the conclusion of the 2010 Decennial Census, detailing the progress of the revised plan for the execution of the 2010 Decennial Census and any unanticipated slippages from the revised 2010 milestones, as well as reassessing the associated risk to the program. The Census Bureau is directed to provide the Inspector General with any required information so that the quarterly reports can begin 60 days after submission of the plan.

Because rising costs associated with the 2010 Decennial Census and the Department's and the Bureau's lack of contract oversight are cause for particular concern, the bill includes not less than $3,000,000 for the Department's Office of the Inspector General for Census contract oversight activities and not less than $1,000,000 solely for a reimbursable agreement with the Defense Contract Management Agency to review and improve Census contract management.

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The amended bill includes $178,000,000 for additional costs of the Bureau of Prisons (BOP) related to the custody and care of inmates and the maintenance and operation of correctional and penal institutions. The BOP has been chronically underfunded in recent budget requests, due to consistently underestimated growth in inmate populations and inadequate funding requests for medical expenses. As a result, BOP facilities face rising staff-to-inmate ratios, placing corrections officers and inmates at unacceptable risk of violence. The amended bill includes funding for FCI Pollock activation costs and for inmate drug abuse treatment required by law. The Administration is urged to re-estimate BOP fixed costs and prisoner population for fiscal year 2009 and to provide the House and Senate Committees on Appropriations with those estimates no later than August 1, 2008. Further, the BOP is directed to notify the Committees of current staff-to-inmate ratios at all Federal prisons on a monthly basis.

OTHER AGENCIES

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SCIENCE, AERONAUTICS AND EXPLORATION

The amended bill includes $62,500,000 for Science, Aeronautics and Exploration.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

The amended bill includes $22,500,000 for Research and Related Activities, of which $5,000,000 shall be available solely for activities authorized by section 7002(b)(2)(A)(iv) of Public Law 110–69.

EDUCATION AND HUMAN RESOURCES

The amended bill includes $40,000,000 for Education and Related Activities of which $20,000,000 is for section 10 of the National Science Foundation Authorization Act of 2002 (42 U.S.C. 1862n–1) and $20,000,000, is for activities authorized by section 10A of the National Science Foundation Authorization Act of 2002 (42 U.S.C. 1862n–1a).

CHAPTER 3—ENERGY

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

SCIENCE

The amended bill includes an additional $62,500,000 for Science. The Department of Energy is instructed to utilize this funding to eliminate all furloughs and reductions in force which are a direct result of budgetary constraints. Workforce reductions which are a result of completed work or realignment of mission should proceed as planned. This funding is intended to maintain technical expertise and capability at the Office of Science, and may be used for National Laboratory Research and Development including research related to new neutrino initiatives.

Funding for research efforts shall not be allocated until the Office of Science has fully funded all personnel requirements.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL CLEANUP

The amended bill includes an additional $62,500,000 for Defense Environmental Cleanup.

CHAPTER 4—LABOR AND HEALTH AND HUMAN SERVICES

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The amended bill provides $110,000,000 for Unemployment Compensation State Operations to compensate the States for the administrative costs of processing the Unemployment Insurance (UI) claims workload for the balance of fiscal year 2008. New UI claims are increasing, reaching a level in April 2008 nearly 18 percent greater than the previous year. States are beginning to experience service degradation in the form of call center delays for claimants, waiting times for adjudication of disputed claims, and reductions in program integrity activities, tax collection, and tax audits. While funding in the Consolidated Appropriations Act, 2008 is sufficient to cover the costs of processing 2.4 million Average Weekly Insured Unemployment (AWIU), claims have already climbed above 2.9 million AWIU. The amount provided will compensate States for the claims workload estimated by the Department of Labor up to the point where additional funds are released under a legislated trigger.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The amended bill provides $150,000,000 in additional funding for the National Institutes of Health to support additional scientific research. This funding is to be distributed on a pro-rata basis across the NIH institutes and centers.

CHAPTER 5—LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

The amended bill provides the customary death gratuity to Annette Lantos, widow of Tom Lantos, late a Representative from the State of California.

TITLE III—NATURAL DISASTER RELIEF AND RECOVERY

CHAPTER 1—AGRICULTURE

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

The amended bill provides $89,413,000 for the Emergency Conservation Program for disaster relief. The recent Midwest floods and tornadoes have added to disaster relief funding needs. Therefore, these funds are provided to meet these and other disaster relief funding needs.

NATURAL RESOURCES CONSERVATION SERVICE

EMERGENCY WATERSHED PROTECTION PROGRAM

The amended bill provides $390,464,000 for the Emergency Watershed Protection Program for disaster relief. The recent Midwest floods and tornadoes have added to disaster relief funding needs. Therefore, these funds are provided to meet these and other disaster relief funding needs.

CHAPTER 2—COMMERCE

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The amended bill provides $100,000,000 for economic development assistance in Presidentially-declared disaster areas to provide disaster relief, long-term recovery and restoration of infrastructure.

CHAPTER 3—CORPS OF ENGINEERS

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

Public Law 109–148, the 3rd emergency supplemental appropriations act of 2006, Public Law 109–234, the 4th emergency supplemental appropriations act of 2006, and Public Law 110–28, the emergency supplemental appropriations act of 2007, provided funds to repair and restore hurricane damaged projects, accelerate completion of New Orleans area flood and storm damage reduction projects, and provide 100-year storm protection for the greater New Orleans area. The scope and magnitude of the work required has increased with time. The current cost estimate requires $5,761,000,000 in additional Federal funds and a non-Federal cost-share of $1,527,000,000.

The Administration requested this funding under the Construction account in the fiscal year 2009 budget. The amended bill provides the full amount of the request as a supplemental appropriation to ensure the existing schedule for completion of 100-year protection for the greater New Orleans area by 2011 is met. However, $2,926,000,000 is provided under Flood Control and Coastal Emergencies in order to provide continuity in appropriations for projects to repair, restore, and accelerate completion of the levels of protection authorized prior to Hurricane Katrina. None of the funds recommended for this purpose shall be available until October 1, 2008.

In addition, the amended bill provides $605,988,800 to respond to recent natural disasters. The Corps shall prioritize all projects to ensure that the most critical health and safety risks are addressed.

CONSTRUCTION

The amended bill includes $2,896,700,000 for Construction. Within the recommended funds, $1,077,000,000 is provided to complete the 100-year storm protection for the Lake Pontchartrain and Vicinity project; $920,000,000 is provided to complete the 100-year storm protection for the West Bank and Vicinity project; and $838,000,000 is provided for elements of the Southeast Louisiana Urban Drainage project that are within the geographic perimeter of the West Bank and Vicinity projects and the Lake Pontchartrain and Vicinity project.

The amended bill includes a provision which requires the Lake Pontchartrain and Vicinity, West Bank and Vicinity and Southeast Louisiana projects be cost shared 65 percent Federal and 35 percent non-Federal as proposed by the Administration with a resulting Federal cost of $2,835,000,000 and a non-Federal cost of $1,527,000,000. While the amended bill includes specific statutory dollar amounts for the three projects, statutory language has been included that would allow the Administration to request a reprogramming of funds, if required. However, the Corps should use this reprogramming ability sparingly.

Due to recent natural disasters, the Corps of Engineers has identified a number of projects that are currently under construction that have been damaged by storm and flood events. The amended bill includes $61,700,000 for the Corps to repair and rehabilitate these construction projects that were affected by natural disasters.

MISSISSIPPI RIVER AND TRIBUTARIES

Due to recent natural disasters, the Corps of Engineers has identified a number of Federally-maintained construction and maintenance projects that have been damaged or otherwise impacted by storm and flood events. The amended bill includes $17,590,000 for the Corps to repair and rehabilitate these projects that were affected by natural disasters.

OPERATION AND MAINTENANCE

Due to recent natural disasters, the Corps of Engineers has identified a number of navigation and flood damage reduction projects that have been impacted by storm and flood events. The amended bill provides $298,344,000 for the Corps to restore navigation channels and harbors to pre-storm conditions; and to repair eligible flood damage reduction and other projects in States affected by natural disasters.

FLOOD CONTROL AND COASTAL EMERGENCIES

The amended bill provides $3,152,854,800 for Flood Control and Coastal Emergencies. The funding includes, at full Federal expense, the following amounts: $704,000,000 to modify the 17th Street, Orleans Avenue, and London Avenue drainage canals and install pumps and closure structures at or near the lakefront; $90,000,000 for storm-proofing interior pump stations to ensure the operability of the stations during hurricanes, storms, and high water events; $459,000,000 for armoring critical elements of the New Orleans hurricane and storm damage reduction system; $53,000,000 to improve protection at the Inner Harbor Navigation Canal; $456,000,000 to replace or modify certain non-Federal levees in Plaquemines Parish to incorporate the levees into the existing New Orleans to Venice hurricane protection project; $412,000,000 for reinforcing or replacing flood walls, as necessary, in the existing Lake Pontchartrain and Vicinity project and the existing West Bank and Vicinity project to improve the performance of the systems; $393,000,000 for repair and restoration of authorized protections and floodwalls; and $359,000,000 to complete the authorized protection for the Lake Pontchartrain and Vicinity Project, for the West Bank and Vicinity Project and the New Orleans to Venice Project. While the Committee has recommended specific statutory dollar amounts for the projects identified under this heading, statutory language has been included that would allow the Administration to request a reprogramming of funds, if required. However, the Corps should use this reprogramming ability sparingly.

Due to recent natural disasters, the Corps of Engineers has identified a number of projects that have been damaged by storm and flood events. The amended bill includes $226,854,800 for the Corps to prepare for flood, hurricane and other natural disasters and support emergency operations, repairs, and other activities in response to flood and hurricane emergencies, as authorized by law; to repair and rehabilitate eligible projects that were affected by natural disasters; and to fund claims processing and discovery costs associated with Hurricane Katrina lawsuits.

The amended bill includes a provision directing the Corps to continue the NEPA alternative evaluation of all options for permanent pumping of storm water in the New Orleans metropolitan area with particular attention to Options 1, 2 and 2a and within 90 days of enactment of this Act provide the House and Senate Appropriation Committees cost estimates to implement Options 1, 2 and 2a of the above cited report. Current plans do not fully account for the operational challenges that arise during major storm events

and are not, therefore, fully protective of public safety.

EXPENSES

The amended bill includes $1,500,000 for additional oversight and management costs associated with Hurricane Katrina recovery efforts.

CHAPTER 4—SMALL BUSINESS

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Based on early estimates of damages due to severe storms and flooding in a number of states, the amended bill includes $164,939,000 in loan subsidy for the costs of providing direct loans for homeowners and business-owners so that they can recover from the effects of these disasters. The amended bill also includes a total of $101,814,000 for the administrative costs for carrying out the loan program. These funds will provide for the on site presence of Small Business Administration (SBA) employees to assist disaster victims in obtaining low interest loans from the SBA. Funding will support additional to staff in call centers, disaster resource sites, and loan processing centers and for field inspections to verify damages and losses of homes and businesses. Funding is also necessary to hire additional attorneys to carry out the loan closing process, as well as staff to service the loans. Of this amount, $6,000,000 may be transferred to the Salaries and Expenses account for indirect administrative expenses and $1,000,000 is for the Office of Inspector General for audits and reviews of disaster loans.

CHAPTER 5—FEMA DISASTER RELIEF

DEPARTMENT OF HOMELAND SECURITY

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

The amended bill provides an additional $897,000,000 for Disaster Relief. The recent Midwest floods and tornadoes have added to disaster relief funding needs. The 1993 Midwest floods cost FEMA over $1.1 billion fifteen years ago and the current damage is likely to cost at least this amount, but in inflated dollars. This funding is provided to meet these and other disaster relief funding needs.

CHAPTER 6—HOUSING AND URBAN DEVELOPMENT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PERMANENT SUPPORTIVE HOUSING

The amended bill includes funding for Louisiana Permanent Supportive Housing, in the amount of $73,000,000. This is a new program, and the money is split between two accounts in the bill—the Homeless Assistance Grants and the Project-Based Rental Assistance programs. This program will provide funding for the 3,000 units of permanent supportive housing that are envisioned in the HUD-approved Louisiana Road Home Program. This will enable the promise of the Road Home Program to address the housing needs of our most vulnerable citizens, in particular extremely low-income homeless, disabled and frail elderly persons, to be fulfilled. Of the $73,000,000 provided, $20,000,000 will fund 2,000 project-based vouchers (funded for 1-year terms) with $3,000,000 in administrative fees, and $50,000,000 will fund 1,000 Shelter Plus Care units (funded for five-year terms). These are the ideal and proven housing programs for creating permanent supportive housing for the populations in question. The program funds are provided to the State of Louisiana or its designee or designees, and language is included stating that the administering entity or entities can act as a public housing agency for purposes of administering the funding.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

The amended bill provides $300,000,000 for the Community Development Fund for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in areas for which the President declared a major disaster.

TITLE IV—EMERGENCY UNEMPLOYMENT COMPENSATION

The amended bill includes language providing a temporary extension of unemployment benefits to workers who have lost their jobs. Specifically, the amended bill provides up to 13 weeks of extended unemployment benefits in every State to workers exhausting regular unemployment compensation. The extended benefits program will terminate on March 31, 2009. The percentage of workers exhausting unemployment benefits is currently 37 percent, which is higher than at the beginning of any of the past five recessions. Not only will workers and their families benefit from extended benefits, providing this financial assistance also can reduce the severity and duration of an economic downturn. Experts agree that extending unemployment benefits is one of the most cost-effective and fast acting forms of economic stimulus because workers who have lost their paychecks have little choice but to spend these benefits quickly.

TITLE V—VETERANS EDUCATIONAL ASSISTANCE

Title V of the amended bill includes provisions designed to expand the educational benefits for men and women who have served in the armed forces since the terrorist attacks of September 11, 2001. The provisions will closely resemble the educational benefits provided to veterans returning from World War II.

The benefits included in title V would apply to all members of the military who have served on active duty, including activated reservists and National Guard. To qualify, veterans must have served at least three months of qualified active duty, beginning on or after September 11, 2001. The amended bill provides for benefits to be paid in amounts linked to the amount of active duty service.

In addition to tuition and other established charges, the benefit includes a monthly stipend for housing costs as well as tutorial assistance and licensure and certification tests.

The amended bill would create a new program in which the government will agree to match, dollar for dollar, any voluntary additional contributions to veterans from institutions whose tuition is more expensive than the maximum educational assistance provided in the amended bill.

In addition, title V allows for members of the armed services to transfer their benefits to their spouse or children.

Finally, the amended bill provides for the veterans to have up to fifteen years after they leave active duty to use their educational assistance entitlement. Veterans would be barred from receiving concurrent assistance from this program and another similar program.

TITLE VI—ACCOUNTABILITY AND TRANSPARENCY IN GOVERNMENT CONTRACTING

CHAPTER 1—CLOSE THE CONTRACTOR FRAUD LOOPHOLE

Chapter 1 of title VI is identical to the language of H.R. 5712, ''Close the Contractor Fraud Loophole Act,'' passed by the House on April 23, 2008. It closes a loophole in a proposed rule so that mandatory fraud reporting requirements would apply to U.S. contractors working overseas as well as to contractors working here at home.

CHAPTER 2—GOVERNMENT FUNDING TRANSPARENCY

Chapter 2 of title VI is identical to the language of H.R. 3928, ''Government Funding Transparency Act of 2007,'' passed by the House on April 23, 2008. It requires any company or organization receiving at least $25 million and 80 percent or more of their revenue from federal payments to disclose the compensation of their most highly-compensated officers.

TITLE VII—MEDICAID PROVISIONS

Title VII of the amended bill includes language extending the current moratorium to April 2009 on four Medicaid regulations pertaining to: graduate medical education payments; limits on payments to government safety net providers; rehabilitation services; and school-based administrative and specialized medical transportation services for children. The amended bill also establishes a moratorium for the same period for two Medicaid regulations pertaining to: health care provider taxes and targeted case management. The cost of the moratoria is fully offset over five and ten years in the amended bill by provisions that extend an asset verification demonstration to all fifty States and reduce balances in the Physician Assistance and Quality Initiative Fund. These six moratoria are identical to those included in H.R. 5613, which was approved by the House by a 349–62 vote.

The moratorium on these six regulations is included in the amended bill due to concerns about their potential negative impact on essential medical services for millions of people, particularly for seniors, people with disabilities, and children, and on the providers of these safety net services. These regulations also would have a far-reaching impact on graduate medical education, outreach and supportive services designed to help individuals get the medical care they need, and foster care services.

According to the Congressional Budget Office (CBO), these regulatory changes would reduce Federal Medicaid spending by more than $17,500,000,000 over the next five years, shifting these costs to States and localities. These cuts would occur during an economic downturn when States and localities are least able to restore services. Further, the authorizing committees indicate that many of these regulations alter longstanding Medicaid policy without specific Congressional authorization.

Additional time is required to examine the potential impact of these regulations. Accordingly, the amended bill includes $5,000,000 for a study to be completed no later than September 2009 by an independent entity to assess the prevalence of the problems in the Medicaid program the regulations were intended to address and their impact on each State. The amended bill also includes $25,000,000 for the purpose of reducing fraud and abuse in the Medicaid program.

TITLE VIII—GENERAL PROVISIONS, THIS ACT

The amended bill includes the following general provisions:

Section 8001 establishes the period of availability for obligation for appropriations provided in this Act.

Section 8002 provides that, unless otherwise noted, all appropriations in this Act are designated as emergency requirements and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 and section 301(b)(2) of S. Con. Res. 70, the congressional budget resolutions for fiscal years 2008 and 2009.

Section 8003 provides for a reduction of $3,577,845,000 from the Procurement; Research, Development, Test and Evaluation;

and Defense Working Capital headings within chapter 1 of title IX of this Act. The section also provides that the reduction shall be applied proportionally to each appropriation account under such headings, and to each program, project, and activity within each such appropriation account.

Section 8004 amends section 9310 of this Act, which prohibits the obligation or expenditure of funds available to the Department of Defense to implement any final action on joint basing initiatives. The amendment excepts funds deposited in the Department of Defense Base Closure Account 2005 from this restriction.

Section 8005 makes funds provided in Public Law 110–28, which remain available for obligation, within the operation and maintenance portion of the Defense Health Program for Post Traumatic Stress Disorder and Traumatic Brain Injury (TBI) available for psychological health and traumatic brain injury.

Section 8006 provides that this Act may be referred to as the ''Supplemental Appropriations Act, 2008''.

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
TITLE I			
MILITARY CONSTRUCTION, VETERANS AFFAIRS, INTERNATIONAL AFFAIRS, AND OTHER SECURITY-RELATED MATTERS			
CHAPTER 1			
DEPARTMENT OF AGRICULTURE			
Foreign Agricultural Service			
Public Law 480 Title II Grants, FY 2008 (emergency)...	350,000	850,000	+500,000
Public Law 480 Title II Grants, FY 2009 (emergency)...	395,000	395,000	---
Total, Chapter 1.....	745,000	1,245,000	+500,000
CHAPTER 2			
DEPARTMENT OF JUSTICE			
Office of Inspector General (emergency).....	---	4,000	+4,000
Legal Activities			
Salaries and expenses, general legal activities (emergency).....	4,093	1,648	-2,445
Salaries and expenses, United States Attorneys (emergency).....	5,000	5,000	---
Total, Legal activities.....	9,093	6,648	-2,445
United States Marshals Service			
Salaries and expenses (emergency).....	14,921	28,621	+13,700
Federal Bureau of Investigation			
Salaries and expenses, FY 2008 (emergency).....	101,122	106,122	+5,000
Salaries and expenses, FY 2009 (emergency).....	39,062	82,600	+43,538
Total, Federal Bureau of Investigation.....	140,184	188,722	+48,538
Drug Enforcement Administration			
Salaries and expenses (emergency).....	8,468	29,861	+21,393
Bureau of Alcohol, Tobacco, Firearms and Explosives			
Salaries and expenses (emergency).....	4,000	4,000	---
Federal Prison System			
Salaries and expenses (emergency).....	9,100	9,100	---
Total, Chapter 2.....	185,766	270,952	+85,186
CHAPTER 3			
DEPARTMENT OF DEFENSE			
Military construction, Army (emergency).....	1,440,750	1,108,200	-332,550
Military construction, Navy and Marine Corps (emergency).....	237,505	355,907	+118,402
Military construction, Air Force (emergency).....	305,000	399,627	+94,627
Military construction, Defense-Wide (emergency).....	27,600	890,921	+863,321
Total, Active Components.....	2,010,855	2,754,655	+743,800

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
Family housing construction, Navy and Marine Corps (emergency)	11,766	11,766	---
Base realignment and closure account 2005 (emergency)	415,910	1,278,886	+862,976
Total, Department of Defense	2,438,531	4,045,307	+1,606,776
DEPARTMENT OF VETERANS AFFAIRS			
Departmental Administration			
General operating expenses (emergency)	---	100,000	+100,000
Information technology systems (emergency)	---	20,000	+20,000
Construction, major projects (emergency)	---	396,377	+396,377
Total, Departmental Administration	---	516,377	+516,377
General Provisions			
Sec. 1301. Barracks improvements (emergency)	---	200,000	+200,000
Total, Department of Veterans Affairs	---	716,377	+716,377
Total, Chapter 3	2,438,531	4,761,684	+2,323,153
CHAPTER 4			
SUBCHAPTER A			
SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008			
DEPARTMENT OF STATE			
Administration of Foreign Affairs			
Diplomatic and consular programs (emergency)	1,708,008	1,465,700	-242,308
Worldwide security protection	(162,400)	(210,400)	(+48,000)
Office of the Inspector General (emergency)	---	9,500	+9,500
Embassy security, construction, and maintenance (emergency)	160,000	76,700	-83,300
Total, Administration of Foreign Affairs	1,868,008	1,551,900	-316,108
International Organizations			
Contributions to international organizations (emergency)	53,000	66,000	+13,000
Contributions for international peacekeeping activities, current year (emergency)	333,600	373,708	+40,108
Total, International Organizations	386,600	439,708	+53,108
Total, Department of State	2,254,608	1,991,608	-263,000
RELATED AGENCY			
Broadcasting Board of Governors			
International broadcasting operations (emergency)	---	2,000	+2,000
BILATERAL ECONOMIC ASSISTANCE			
Funds Appropriated to the President			
International disaster assistance (emergency)	---	220,000	+220,000
Operating expenses of the United States Agency for International Development (emergency)	41,000	150,500	+109,500

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
Operating expenses of the US Agency for International Development, Office of Inspector General (emergency)	---	4,000	+4,000
Other Bilateral Economic Assistance			
Economic support fund (emergency)	2,009,000	1,882,500	-126,500
Department of State			
Democracy Fund (emergency)	---	76,000	+76,000
International narcotics control and law enforcement (emergency)	734,000	390,300	-343,700
Migration and refugee assistance (emergency)	30,000	315,000	+285,000
U.S. Emergency Refugee and Migration Assistance Fund (emergency)	---	31,000	+31,000
Nonproliferation, anti-terrorism, demining and related programs (emergency)	5,000	13,700	+8,700
Total, Bilateral Economic Assistance	2,819,000	3,083,000	+264,000
MILITARY ASSISTANCE			
Funds Appropriated to the President			
Foreign Military Financing Program (emergency)	---	137,500	+137,500
Total, Subchapter A	5,073,608	5,214,108	+140,500
SUBCHAPTER B			
BRIDGE FUND SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2009			
DEPARTMENT OF STATE			
Administration of Foreign Affairs			
Diplomatic and consular programs (emergency)	1,064,450	704,900	-359,550
Worldwide security protection	(45,800)	(78,400)	(+32,600)
Office of the Inspector General (emergency)	16,800	57,000	+40,200
Embassy security, construction, and maintenance (emergency)	---	41,300	+41,300
Total, Administration of Foreign Affairs	1,081,250	803,200	-278,050
International Organizations			
Contributions to international organizations (emergency)	40,000	75,000	+35,000
Contributions for international peacekeeping activities, current year (emergency)	---	150,500	+150,500
Total, International Organizations	40,000	225,500	+185,500
Total, Department of State	1,121,250	1,028,700	-92,550
RELATED AGENCY			
Broadcasting Board of Governors			
International broadcasting operations (emergency)	---	6,000	+6,000
BILATERAL ECONOMIC ASSISTANCE			
Funds Appropriated to the President			
Global health and child survival (emergency)	---	75,000	+75,000
Development assistance (emergency)	210,000	200,000	-10,000

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
International disaster assistance (emergency)	270,000	200,000	-70,000
Operating expenses of the United States Agency for International Development (emergency)	60,000	93,000	+33,000
Operating expenses of the US Agency for International Development, Office of Inspector General (emergency)	---	1,000	+1,000
Total, Funds Appropriated to the President	540,000	569,000	+29,000
Other Bilateral Economic Assistance			
Economic support fund (emergency)	1,297,700	1,124,800	-172,900
Department of State			
International narcotics control and law enforcement (emergency)	225,000	199,000	-26,000
Migration and refugee assistance (emergency)	191,000	350,000	+159,000
Nonproliferation, anti-terrorism, demining and related programs (emergency)	---	4,500	+4,500
Total, Department of State	416,000	553,500	+137,500
Total, Bilateral Economic Assistance	2,253,700	2,247,300	-6,400
MILITARY ASSISTANCE			
Funds Appropriated to the President			
Foreign Military Financing Program (emergency)	170,000	302,500	+132,500
Peacekeeping operations (emergency)	60,000	95,000	+35,000
Total, Military Assistance	230,000	397,500	+167,500
Total, Subchapter B	3,604,950	3,679,500	+74,550
SUBCHAPTER C - GENERAL PROVISIONS			
Sec. 1410:			
(a)(1) World Food Program	---	20,000	+20,000
(a)(2) Andean Counterdrug Initiative (rescission)	---	-20,000	-20,000
(b)(1) International narcotics control and law enforcement (Sudan)	---	10,000	+10,000
(b)(2) International narcotics control and law enforcement (prior-year rescission)	---	-10,000	-10,000
(c)Iraq Relief and Reconstruction Fund (rescission of emergency appropriations)	---	-50,000	-50,000
Sec. 1413:			
(a)(b) Jordan	---	58,000	+58,000
(c) Millennium Challenge Corporation (rescission)	---	-58,000	-58,000
Total, Subchapter C	---	-50,000	-50,000
Total, Chapter 4	8,678,558	8,843,608	+165,050
GENERAL PROVISIONS			
DEPARTMENT OF HOMELAND SECURITY			
Customs and Border Protection			
Salaries and expenses (rescission)	-50,000	---	+50,000
Total, title I	11,997,855	15,121,244	+3,123,389

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
TITLE II			
DOMESTIC MATTERS			
CHAPTER 1			
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Food and Drug Administration			
Salaries and expenses (emergency)	---	150,000	+150,000
CHAPTER 2			
DEPARTMENT OF COMMERCE			
Bureau of the Census			
Periodic censuses and programs (emergency)	---	210,000	+210,000
DEPARTMENT OF JUSTICE			
Federal Prison System			
Salaries and expenses (emergency)	---	178,000	+178,000
OTHER AGENCIES			
National Aeronautics and Space Administration			
Science, aeronautics and exploration (emergency)	---	62,500	+62,500
National Science Foundation			
Research and related activities (emergency)	---	22,500	+22,500
Education and human resources (emergency)	---	40,000	+40,000
Total, National Science Foundation	---	62,500	+62,500
Total, Other Agencies	---	125,000	+125,000
Total, Chapter 2	---	513,000	+513,000
CHAPTER 3			
DEPARTMENT OF ENERGY			
Energy Programs			
Science (emergency)	---	62,500	+62,500
Environmental and Other Defense Activities			
Defense environmental cleanup (emergency)	---	62,500	+62,500
Total, Chapter 3	---	125,000	+125,000
CHAPTER 4			
DEPARTMENT OF LABOR			
Employment and Training Administration			
State unemployment insurance and employment service operations (emergency)	---	110,000	+110,000

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
National Institutes of Health			
Office of the Director (emergency)	---	150,000	+150,000
Total, Chapter 4	---	260,000	+260,000
CHAPTER 5			
HOUSE OF REPRESENTATIVES			
Payments to Widows and Heirs of Deceased Members of Congress	---	169	+169
Total, title II	---	1,048,169	+1,048,169
TITLE III			
NATURAL DISASTER RELIEF AND RECOVERY			
CHAPTER 1			
DEPARTMENT OF AGRICULTURE			
Farm Service Agency			
Emergency Conservation Program (emergency)	---	89,413	+89,413
Natural Resources Conservation Service			
Emergency Watershed Protection Program	---	390,464	+390,464
Total, Chapter 1	---	479,877	+479,877
CHAPTER 2			
DEPARTMENT OF COMMERCE			
Economic Development Administration			
Economic development assistance programs (emergency)	---	100,000	+100,000
CHAPTER 3			
DEPARTMENT OF THE ARMY			
Corps of Engineers - Civil			
Construction, general (emergency)	---	61,700	+61,700
Construction, FY 2009 (emergency)	5,761,000	2,835,000	-2,926,000
Mississippi River and tributaries (emergency)	---	17,590	+17,590
Operation and maintenance (emergency)	---	298,344	+298,344
Flood control and coastal emergencies	---	226,855	+226,855
Flood control and coastal emergencies, FY 2009(emerg.)	---	2,926,000	+2,926,000
Expenses (emergency)	---	1,500	+1,500
Total, Chapter 3	5,761,000	6,366,989	+605,989

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
CHAPTER 4			
Small Business Administration			
Disaster Loans Program Account:			
Direct loans subsidy (emergency)	---	164,939	+164,939
Administrative expenses (emergency)	---	101,814	+101,814
Total, Chapter 4	---	266,753	+266,753
CHAPTER 5			
DEPARTMENT OF HOMELAND SECURITY			
Federal Emergency Management Agency			
Disaster Relief (emergency)	---	897,000	+897,000
CHAPTER 6			
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Permanent supportive housing (emergency)	---	73,000	+73,000
Community Planning and Development			
Community Development Fund (emergency)	---	300,000	+300,000
Total, Chapter 6	---	373,000	+373,000
Total, title III	5,761,000	8,483,619	+2,722,619
TITLE IV			
EMERGENCY UNEMPLOYMENT COMPENSATION			
Federal-State agreements, FY 2008 (emergency)	---	4,790,000	+4,790,000
Federal-State agreements, FY 2009 (emergency)	---	7,765,000	+7,765,000
Total, title IV	---	12,555,000	+12,555,000
TITLE V			
VETERANS EDUCATIONAL ASSISTANCE			
Veterans educational assistance, FY 2008 (emergency)	---	50,000	+50,000
Veterans educational assistance, FY 2009 (emergency)	---	746,000	+746,000
Total, title V	---	796,000	+796,000
TITLE VII			
MEDICAID PROVISIONS			
Medicaid moratorium, FY 2008 (emergency)	---	305,000	+305,000
Medicaid moratorium, FY 2009 (emergency)	---	805,000	+805,000
Total, title VII	---	1,110,000	+1,110,000

HOUSE AMENDMENT TO SENATE AMENDMENT 2 TO H.R. 2642
(Amounts in thousands)

	Request	Recommended	Recommended vs. Request
TITLE VIII			
GENERAL PROVISIONS			
Sec. 8003. General defense reduction (emergency).....	---	-3,577,845	-3,577,845
Grand total.....	17,758,855	35,536,187	+17,777,332
Appropriations.....	---	(88,169)	(+88,169)
Emergency appropriations.....	(17,808,855)	(35,586,018)	(+17,777,163)
Rescissions.....	(-50,000)	(-88,000)	(-38,000)
Rescissions of emergency funding.....	---	(-50,000)	(-50,000)

EARMARK DISCLOSURE STATEMENT FOR THE FURTHER HOUSE AMENDMENT RELATING TO SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEARS 2008 AND 2009

Neither the House amendment nor the explanatory statement contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives. However, the following tables are submitted disclosing those earmarks included at the request of the Administration:

Military Construction
[dollars in thousands]

Project Name	Location	Amount	Request By
Child Development Center	AK: Fort Wainwright	17,000	Administration
Child Development Center	CA: Fort Irwin	11,800	Administration
11th Marine Regiment HQ, Amory, BEQ	CA: Camp Pendleton	34,970	Administration
5th Marine Regiment Addition, San Mateo	CA: Camp Pendleton	10,890	Administration
Armory Intelligence Battalion, 16 Area	CA: Camp Pendleton	4,180	Administration
Armory, Regiment & Battalion HQ, 53 Area	CA: Camp Pendleton	5,160	Administration
BEQ & Mess Hall HQ (13) Area	CA: Camp Pendleton	24,390	Administration
EOD Operations Facility	CA: Camp Pendleton	13,090	Administration
ISR Camp - Intelligence Battalion	CA: Camp Pendleton	1,114	Administration
JIEDDO Battle Courses	CA: Camp Pendleton	9,270	Administration
Military Police Company Facilities	CA: Camp Pendleton	8,240	Administration
Public-Private Venture, Phase 6B	CA: Camp Pendleton	10,692	Administration
Public-Private Venture, Phase 2A	CA: Twentynine Palms	1,074	Administration
Regimental Combat Team HQ Facility	CA: Twentynine Palms	4,440	Administration
JIEDDO Battle Courses	CA: China Lake NAWS	7,210	Administration
JIEDDO Battle Courses	CA: Point Mugu	7,250	Administration
Child Development Center	CA: San Diego	17,930	Administration
Recruit Barracks	CA: San Diego MCRD	43,200	1/
JIEDDO Battle Courses	CA: Twentynine Palms	11,250	Administration
Child Development Center	CA: Beale AFB	17,600	Administration
Child Development Center	CO: Fort Carson	8,400	Administration
Soldier Family Assistance Center	CO: Fort Carson	8,100	Administration
JIEDDO Battle Courses	FL: Whiting Field NAS	780	Administration
Child Development Center	FL: Eglin AFB	11,000	Administration
Classrooms & Battalion Dining Facilities	GA: Fort Benning	30,500	1/
AIT Complex 1, Phase 1	GA: Fort Gordon	32,000	1/
Child Development Center	GA: Fort Gordon	7,800	Administration
Soldier Family Assistance Center	GA: Fort Stewart	6,000	Administration
Hospital Replacement	GA: Fort Benning	350,000	1/
Child Development Center	HI: Schofield Barracks	12,500	Administration

Transitioning Warrior Support Complex	KS: Fort Riley	50,000	Administration
Hospital Replacement	KS: Fort Riley	404,000	1/
Child Development Center	KY: Fort Campbell	9,900	Administration
Soldier Family Assistance Center	KY: Fort Campbell	7,400	Administration
Child Development Center	KY: Fort Knox	7,400	Administration
Soldier Family Assistance Center	LA: Fort Polk	4,900	Administration
Starbase Complex 6, Phase 1	MO: Fort Leonard Wood	50,000	1/
JIEDDO Battle Courses	MS: Gulfport NCBC	6,570	Administration
Child Development Center	NC: Camp Lejeune	16,000	Administration
JIEDDO Battle Courses	NC: Camp Lejeune	11,980	Administration
Maintenance/Operations Complex 2/9	NC: Camp Lejeune	43,340	Administration
Child Development Center	NC: Fort Bragg	8,500	Administration
Hospital Addition/Alteration	NC: Camp Lejuene	122,000	1/
JIEDDO Battle Courses	NJ: McGuire AFB	6,200	Administration
Child Development Center	NM: Cannon AFB	8,000	Administration
Warrior in Transition Facilities	NY: Fort Drum	38,000	Administration
Child Development Center	OK: Fort Sill	9,000	Administration
Student Barracks	SC: Fort Jackson	27,000	1/
Recruit Barracks	SC: Parris Island MCRD	19,900	1/
Child Development Center	TX: Fort Bliss	5,700	Administration
Child Development Center	TX: Fort Bliss	5,900	Administration
Child Development Center	TX: Fort Bliss	5,700	Administration
Child Development Center	TX: Fort Hood	7,200	Administration
Warrior in Transition Unit Ops Facilities	TX: Fort Hood	9,100	Administration
AIT Barracks	TX: Fort Sam Houston	47,000	1/
Child Development Center	TX: Fort Sam Houston	7,000	Administration
Burn Rehabilitation Center	TX: Fort Sam Houston	21,000	Administration
JIEDDO Battle Courses	VA: Yorktown NWS	8,070	Administration
AIT Complex 1, Phase 1	VA: Fort Eustis	50,000	1/
Child Development Center	VA: Fort Lee	7,400	Administration
Administrative Building	Afghanistan: Bagram AB	13,800	Administration
Aircraft Maintenance Hangar	Afghanistan: Bagram AB	5,100	Administration
Ammunition Supply Point	Afghanistan: Bagram AB	62,000	Administration
Bulk Fuel Storage and Supply, Phase 3	Afghanistan: Bagram AB	23,000	Administration

Bulk Fuel Storage and Supply, Phase 4	Afghanistan: Bagram AB	21,000	Administration
New Roads	Afghanistan: Bagram AB	27,000	Administration
Power Plant	Afghanistan: Bagram AB	41,000	Administration
East Side Helo Ramp	Afghanistan: Bagram AB	44,400	Administration
ISR Ramp	Afghanistan: Bagram AB	26,300	Administration
Parallel Taxiway Phase 2	Afghanistan: Bagram AB	21,400	Administration
Strategic Ramp	Afghanistan: Bagram AB	43,000	Administration
Rotary Wing Parking	Afghanistan: Ghazni	5,000	Administration
Consolidated Compound	Afghanistan: Kabul	36,000	Administration
Counter IED Road - Route Alaska	Afghanistan: Various Locations	16,500	Administration
Counter IED Road - Route Connecticut	Afghanistan: Various Locations	54,000	Administration
Hot Cargo Ramp	Iraq: Al Asad AB	18,500	Administration
Landfill	Iraq: Al Asad AB	3,100	Administration
South Airfield Apron (India Ramp)	Iraq: Al Asad AB	28,000	Administration
Water Supply, Treatment & Storage Ph III	Iraq: Baghdad IAP	13,000	Administration
Convoy Support Center Relocation, Phase II	Iraq: Camp Adder	39,000	Administration
Multi-Class Storage Warehouse	Iraq: Camp Adder	17,000	Administration
POL Storage Area	Iraq: Camp Adder	10,000	Administration
Wastewater Treatment & Collection System	Iraq: Camp Adder	9,800	Administration
Hazardous Waste Incinerator	Iraq: Camp Anaconda	4,300	Administration
Landfill	Iraq: Camp Anaconda	6,200	Administration
Fighter Ramp	Iraq: Balad AB	11,000	Administration
Foxtrot Taxiway	Iraq: Balad AB	12,700	Administration
Helicopter Maintenance Facilities	Iraq: Balad AB	34,600	Administration
Juvenile TIFRIC	Iraq: Camp Constitution	11,700	Administration
Landfill	Iraq: Camp Marez	880	Administration
Landfill	Iraq: Camp Ramadi	880	Administration
Aviation Navigation Facilities	Iraq: Camp Speicher	13,400	Administration
Landfill	Iraq: Camp Speicher	5,900	Administration
Military Control Point	Iraq: Camp Speicher	5,800	Administration
Rotary Wing Parking Apron	Iraq: Camp Speicher	49,000	Administration
Landfill	Iraq: Camp Taqqadum	880	Administration
Landfill	Iraq: Camp Warrior	880	Administration
Landfill	Iraq: Fallujah	880	Administration

North Entry Control Point	Iraq: Qayyarah West	11,400	Administration
Perimeter Security Upgrade	Iraq: Qayyarah West	14,600	Administration
Entry Control Point	Iraq: Scania	5,000	Administration
Water Storage Tanks	Iraq: Scania	9,200	Administration
Landfill	Iraq: Victory Base	6,200	Administration
Level 3 Hospital	Iraq: Victory Base	13,400	Administration
Wastewater Treatment & Collection System	Iraq: Victory Base	9,800	Administration
Water Treatment & Storage Phase II	Iraq: Victory Base	18,000	Administration
Facilities Replacement	Iraq: Various Locations	72,000	Administration
Overhead Cover - eGlass	Iraq: Various Locations	135,000	Administration
CJTF-HOA HQ Facility	Djibouti: Camp Lemonier	29,710	Administration
Dining Facility	Djibouti: Camp Lemonier	20,780	Administration
Fuel Farm	Djibouti: Camp Lemonier	4,000	Administration
Full Length Taxiway	Djibouti: Camp Lemonier	15,490	Administration
Network Infrastructure Expansion	Djibouti: Camp Lemonier	6,270	Administration
Water Production	Djibouti: Camp Lemonier	19,140	Administration
Western Taxiway	Djibouti: Camp Lemonier	2,900	Administration
Communication Center	Kuwait: Camp Arifjan	30,000	Administration
Strategic Ramp	Kyrgyzstan: Manas AB	30,300	Administration
Expeditionary Beddown Site	Oman: Masirah AB	6,300	Administration
Facility Replacements	Qatar: Al Udeid AB	40,000	Administration
Northwest (CAS) Ramp	Qatar: Al Udeid AB	60,400	Administration
Logistics Storage Warehouse	Qatar: Al Udeid AB	6,600	Administration

1/ The Committee learned through hearings, site visits, and Departmental briefings that trainee and recruit facilities and medical treatment facilities are two high priority areas in dire need of additional funds. The projects included were identified by the Department as high priority projects and were not included at the request of Members of Congress.

Army Corps of Engineers
[dollars in thousands]

Project Name	State	Amount	Request by
Repair and restore authorized protection and floodwalls	LA	393,000	Administration
Complete authorized protection	LA	359,000	Administration
Plaquemines Parish - non-Federal levees	LA	456,000	Administration

Outfall Canals - pumps and closures	LA	704,000	Administration
Inner Harbor Navigation Canal protection	LA	53,000	Administration
Armoring	LA	459,000	Administration
Reinforce and replace floodwalls	LA	412,000	Administration
Storm-proof pumping stations	LA	90,000	Administration
Lake Pontchartrain and Vicinity (100-year protection)	LA	1,077,000	Administration
Westbank and Vicinity (100-year protection)	LA	920,000	Administration
Southeast Louisiana (interior drainage)	LA	838,000	Administration

FY 2008/09 SUPPLEMENTAL APPROPRIATIONS—SUMMARY

[$ in millions; discretionary BA]

Agency and Account	Fiscal Year 2008					Fiscal Year 2009				
	President	House	Senate	House Round2	Round2 +/ − Request	President	House	Senate	House Round2	Round2 +/ − Request
Title I—Military Construction, Veterans, International Affairs, and Other Security-Related Matters										
Food Aid (PL 480)	350	850	850	850	500	395	395	395	395	0
Justice Department	147	147	230	188	42	39	83	83	83	44
Military Construction	2,439	4,642	3,443	4,245	1,807					
Veterans Affairs		120	557	516	516					
Dept. of State & Foreign Ops	5,074	5,074	5,255	5,164	91	3,605	3,600	3,419	3,680	75
Total, Title I	7,959	10,832	10,335	10,964	3,005	4,039	4,078	3,897	4,157	118
Title II—Domestic Matters										
Food & Drug Administration			275	150	150					
Census		210	210	210	210					
Bureau of Prisons		178	178	178	178					
Other Department of Justice			640							
NSA & NSF			400	125	125					
Department of Energy			400	125	125					
Secure Rural Schools			400							
Unemployment Comp admin.		110	110	110	110					
CDC & NIH			426	150	150					
LIHEAP			1000							
Other			11							
Science (included in above)			1,200	400	400					
Total, Title II	0	498	4,050	1,048	1,048					
Title III—Midwest Floods & Tornadoes, Hurricane Katrina and Other Natural Disasters										
Agriculture			180	480						
Commerce (EDA & NOAA)			150							
Law Enforcement Assist.			75							
Corps of Engineers			519	606		5,761	5,761	8,241	5,761	0
SBA Disaster Loans				267						
FEMA Disaster Relief				1,297						
Wildfires			450							
Hospital Grants			350							
Emergency Relief Highways			451							
HUD			−54	73						
Other			35							
Total, Disasters	0	0	2,156	2,723	2,723	5,761	5,761	8,241	5,761	0
TITLE IX—Defense Matters	100,054	96,622	99,506	99,506	−548	66,063	65,921	65,921	65,921	−142
Defense Reduction (sec. 8004)				−3,578	−3,578					
Total, Appropriations Titles	108,013	107,952	116,046	110,663	2,650	75,863	75,760	78,059	75,839	−24
FY 2009 Bridge (FY 2009 excluding Corps of Engineers)						70,102	69,999	69,818	70,078	−24
Veterans Education Assistance		40	40	50	50		676	677	746	746
Emergency Unemployment Comp		6,170	6,170	5,050	5,050		9,403	9,403	9,288	9,288
Medicaid & Other Health		450	530	345	345		1,150	1,225	850	850
Total (W/out Tax Surcharge)	108,013	114,612	122,786	116,108	8,095	75,863	86,989	89,364	86,723	10,860
Tax Surcharge		0		0			3,986		0	

FY 2008/09 SUPPLEMENTAL APPROPRIATIONS—MULTI-YEAR TOTALS

[$ in millions; discretionary BA]

Agency and Account	Two Years (FY 2008 & FY 2009)					Eleven Years (FY 2008–FY 2018)				
	President	House	Senate	House Round2	Round2 +/ − Request	President	House	Senate	House Round2	Round2 +/ − Request
MilCon, Vets, Int'l, Other Security	11,998	14,910	14,231	15,121	3,123	11,998	14,910	14,231	15,121	3,123
Domestic	0	498	4,050	1,048	1,048	0	498	4,050	1,048	1,048
Floods, Hurricanes, Other Disasters	5,761	5,761	10,397	8,484	2,723	5,761	5,761	10,397	8,484	2,723
Defense	166,117	162,543	165,427	161,849	−4,268	166,117	162,543	165,427	161,849	−4,268
Subtotal, Appropriations	183,876	183,712	194,105	186,502	2,626	183,876	183,712	194,105	186,502	2,626
Veterans Education Assistance		716	717	796	796		51,600	51,616	62,770	62,770
Emergency Unemployment Comp		15,573	15,573	14,338	14,338		11,137	11,137	9,962	9,962
Medicaid & Other Health		1,600	1,755	1,195	1,195		−7	2,849	−7	−7
TOTAL (w/out tax surcharge)	183,876	201,601	212,150	202,831	18,955	183,876	246,442	259,707	259,227	75,351
Tax Surcharge		3,986		4,792			52,286		62,835	

Mr. SCALISE. Mr. Speaker, I rise today in support of H.R. 2642 and strongly encourage my colleagues to vote in favor of this legislation.

I am pleased that the Democratic leadership has chosen to not delay this bill any longer by hijacking it with tax increases. Our troops in the field will now have the resources they need to be successful in the war on terror.

In addition to providing our troops with critical and timely funding, this bill also includes funding for the communities in southeast Louisiana that were devastated by the flooding after Hurricane Katrina.

On August 29, 2005, the failure of the federal levees resulted in over 1,400 deaths in my home State. Hundreds of thousands of Louisianians lost their homes. Over 80,000 small businesses were severely impacted. Of the 18 hospitals that served the area before Hurricane Katrina, only 10 have re-opened and continue to struggle financially. An estimated 217 square miles of coastal marshland were transformed to open water, expediting the erosion of Louisiana's coastal buffers that reduce the intensity of hurricanes before they strike our towns and cities.

While much progress has been made, our State is still struggling to recover from the Nation's worst natural disaster.

The legislation before us today not only helps to protect our troops in the field, it also takes us one step closer to protecting the citizens of south Louisiana from future flooding. This bill contains essential funding for the Army Corps of Engineers to make progress in completion of 100-year flood protection in South Louisiana. The bill also includes essential language directing the Corps of Engineers to provide an official cost estimate on the ''Pump to the River'' project, which will direct flood waters to the Mississippi River rather than Lake Ponchartrain, providing an important alternative method of flood prevention for thousands of citizens.

While I support the vital flood protection funding provided for in this bill, I am disappointed that the House leadership stripped critical funding that was included in the Senate version to allow local governments a longer payback period for their local cost share on levees. It is also very unfortunate that funding was stripped out for the hospitals in our area that are struggling financially to care for the uninsured citizens of southeast Louisiana, many of whom went to the State's Charity Hospital and the Federal Veteran's Administration Hospital that were closed down due to damage from Hurricane Katrina.

The Senate added a 30-year payback provision on the local cost-share for the Federal levees. This 30-year payback provision is critical to the recovery of south Louisiana. The levees that failed our city and our region were Federal levees. If our local governments are required to pay the 35 percent cost-share up front, it will likely prevent them from being able to move these critical flood protection projects forward. In addition, our State will likely be prevented from initiating any new coastal restoration efforts which would prevent hurricane protection efforts outside the greater New Orleans area.

Similarly, if the hospitals in our area are not provided immediate assistance, the stability of

our entire health care infrastructure could be jeopardized. These hospitals are currently caring for patients that before Hurricane Katrina were receiving care at the government-funded, State-run Charity Hospital and the Federal VA Hospital. Our local hospitals are incurring hundreds of millions of dollars in losses and continue to provide 90 percent of health care services in the region. Without immediate assistance, the sustainability of the entire health care system and a major economic engine of the New Orleans region will be made extremely vulnerable, which could hinder our recovery.

Critical law enforcement funding to combat the post-Katrina crime wave was also cut in the House version of the bill. These funds would have provided personnel, equipment and technology to apprehend perpetrators of violent crimes. The safety of the citizens is crucial to our rebuilding efforts.

I implore my colleagues to continue to support my efforts and the efforts of the entire Louisiana delegation as we work to restore these other important provisions that are not yet in the legislation. I encourage support for this important bill.

Mr. MURTHA. Mr. Speaker, today we once again consider a supplemental spending bill for our troops in both Iraq and Afghanistan.

The spending bill before us represents a compromise between both the House and Senate. It provides funding to take care of our troops in the field through the balance of fiscal year 2008, and through June 2009. The funding in this bill closely follows our vision of ''looking beyond the war in Iraq.''

For fiscal year 2008 this supplemental includes:

$825 million for National Guard and Reserve Equipment;

$1.6 billion for HMMWVs;

$3.1 billion for Medium and Heavy Tactical Trucks;

$102 million for Land Warrior equipment sets for next-to-deploy units;

$1.2 billion for various Joint Unmet Operational Needs as identified by the Department of Defense, but not included in the budget request;

$500 million for Army and Marine Corps Facility Maintenance and Repairs (this includes barracks);

$300 million for Facility Maintenance and Repairs at DoD medical treatment facilities;

$94.9 million for Wounded Warrior efforts;

$50 million for Family Advocacy Programs;

$570 million for treatment and research activities within the Defense Health Program; and

$3.5 billion to address the increasing cost of fuel that was not included in the budget request.

For fiscal year 2009 this supplemental includes:

$1.2 billion for military personnel and $51.9 billion for operation and maintenance. This is sufficient funding to maintain all anticipated military operations through June 2009;

$394.8 million for Bradley base sustainment;

$390.2 million for HMMWV recapitalization;

$1.1 billion for the Defense Health Program; and

$2.0 billion for the Joint Improvised Explosive Device Defeat Fund.

This is a good piece of legislation, and I'd ask my colleagues on both sides of the aisle to vote for this bill.

Mr. BLUMENAUER. Mr. Speaker, as we take up the final war supplemental of the Bush administration, the Bush legacy in Iraq is clear: a President who misled America, needlessly put our troops in harm's way, and threw billion of dollars of good money after bad.

Five years ago, I spoke out and voted against the invasion of Iraq. From that time I have opposed the open-ended funding and escalation of this terrible conflict, while the President has committed us to a growing military tragedy, foreign policy nightmare, and, increasingly, humanitarian crisis. I continue to believe that the best way to honor those whose lives have been lost in this tragic war is to end it quickly and responsibly.

It is a constant source of frustration that Congress has been unable to substantially curb our involvement in Iraq. Though this bellicose President may be content to wage a war and then leave the aftermath to his successor, Congress should know better. It is the men and women from our districts—whose names and faces we know—that are wounded and dying in Iraq. I cannot support the war funding amendment. It is fundamentally flawed, providing no requirements for withdrawal.

However, I am pleased that the second amendment provides almost $700 million in refugee assistance. Iraq has claimed the lives of thousands of Americans, and the Iraqi civilian death toll is several times that. George Bush famously proclaimed he would be no ''nation-builder.'' This has been sadly true for the 4.5 million Iraqis forced from their homes since the U.S. invasion. Tomorrow, June 20, is World Refugee Day, and I am pleased to see that this second amendment does more for Iraq's 2.5 million refugees and 2 million internally displaced persons.

I am also pleased that the amendment includes responsible domestic items such as the significant expansion of ''GI Bill'' education benefits, the protection of Medicaid from harmful cuts, an extension of unemployment benefits, and funding for domestic disaster relief, all necessary in our unsteady economy.

I am proud today to cast votes in support of our troops—by voting against unconditional war funding and this President's reckless war, and by voting for educational benefits and responsible international and domestic priorities.

Mr. HALL of New York. Mr. Speaker, today, this body once again considered legislation to provide funding for the ongoing military efforts in Iraq and Afghanistan. In the final analysis, this was one funding bill for two very distinct conflicts. In Afghanistan, the men and women of our military continue to perform an important mission by taking action against our enemies in the country that served as host to the Al Qaeda organization that attacked the United States of America on September 11th, 2001. The importance of the work they are doing with complete skill, courage, and professionalism has only been underscored by the recent resurgence of Taliban activity, which must be quelled. I am fully supportive of them and their mission. I have voted to provide funding solely for our military activities in Afghanistan, and would do so again if such a bill were to come before the House.

However the funding measure before us today also included funding for the war in Iraq without accompanying conditions on those funds or a timeline for withdrawal of American forces. I remain opposed to the President's mistaken war in Iraq, which has now claimed over 4,000 American lives, undermined our military and ability to respond to other threats abroad, and cost hundreds of billions of dollars that could have been used to meet pressing needs at home. The men and women in uniform serving in Iraq have performed brilliantly and heroically. It is time for the Iraqi government to take responsibility for Iraq and for America to start bringing our troops home. I cannot support the appropriation of additional funds without timelines that would begin to wind down our military involvement in Iraq, and therefore could not vote for that portion of the funding legislation considered by the House tonight.

However, I am pleased that I was able to vote for a separate piece of legislation tonight that addresses several important priorities here at home. Specifically, I am pleased that we were able to consider legislation to expand veterans educational benefits in order to honor the service of our men and women in uniform and give them every opportunity to succeed in life after they have served. Also included in this bill was a desperately needed extension of unemployment benefits that will help struggling middle class families weather the current economic storm. In addition, the piece of legislation that I was able to vote for this evening included a moratorium on six of the seven Medicaid regulations the Bush administration has unwisely decided to implement recently, I would have greatly preferred if the legislation prevented all seven regulations from coming into effect. Outpatient Graduate Medical Education is a vital component of medical education, and by disallowing Medicaid funding for it, this regulation will cost New York State as much as $300 million per year. On multiple occasions, both the House and Senate have passed a moratorium on all seven of these regulations overwhelmingly. I don't understand why we have decided to allow these unwise cuts to graduate medical education to continue now, when the votes exist to prevent it. However, I will continue to push for this final moratorium to be implemented and for this unwise rule to be overturned.

Mr. HONDA. Mr. Speaker, I rise today to express my thoughts on the two pieces of the $183.9 billion emergency supplemental appropriations bill that the House is considering today.

Last year, I joined nearly ninety of my colleagues in the House in sending a letter to President Bush pledging that I will only support appropriating additional funds for U.S. military operations in Iraq during Fiscal Year 2008 and beyond for the protection and safe redeployment of our troops out of Iraq.

The supplemental bill the House will vote on tonight does not include a number of important policy provisions regarding the war originally included in the bill that was sent to the Senate. These important provisions called for the responsible redeployment of U.S. troops from Iraq and required that troops begin to withdraw from Iraq within 30 days of the proposal becoming law, with a goal of completing withdrawal by December 2009.

I am disappointed that the supplemental bill we are considering today does not include these provisions, and instead provides $162 billion more for this disastrous war, without conditions.

I have heard and read the frustrated thoughts of many of my constituents who are simply tired of President Bush's war. They understand that we have spent an inordinate

sum of tax dollars fighting a war that should have never been waged. They understand that our economy is suffering as a result of our resources being poured into this war. Tonight, I will vote against continuing to fund this open-ended war.

However, Mr. Speaker, I remain in strong support of the second amendment to this supplemental appropriations bill, which will fund important domestic priorities. This domestic measure includes a new GI bill to restore full, 4-year college scholarships to veterans of the Iraq and Afghanistan wars to help make them part of an economic recovery like the veterans of World War II. It also includes an historic extension of unemployment insurance benefits and assistance to disaster-stricken areas in the Midwest where unprecedented floods have occurred. The number of Americans looking for work has grown by 800,000 over the last year, and the number of American jobs has declined by 260,000 since the beginning of 2008. Both of these measures are beneficial to our country, extraordinarily meaningful to our veterans, and will address the current economic struggle we face. As a representative of Silicon Valley, the hub of high technology in America, I am also happy that this amendment contains a modest amount of funding to help partially address the budget shortfalls facing the agencies that support our Nation's research and development efforts.

Mr. Speaker, I am disappointed that the amendment funding the war in Iraq is without strings or conditions, but more than pleased to prioritize our Nation's urgent priorities in the second amendment to this appropriations bill. We must continue to invest in a positive future for our country.

Mr. CONYERS. Mr. Speaker, I rise today to speak on H.R. 2642, the most recent authorization bill placed before the Congress to fund the continuing occupation of Iraq. Forged in the backrooms of the Capitol by Washington politicians, this bill seeks to strike an uneasy compromise. While it continues to fund overseas conflicts, the bill also includes long-overdue aid for segments of the American public desperate for help. Specifically, the bill provides $52 million for an expanded G.I. Bill, extends unemployment benefits in states, like Michigan, that have been hit the hardest by the current economic downturn, and postpones seven Medicaid reimbursement rate cuts. I support such aid, while rejecting the appropriation of an additional $165 million in war funds. As a responsible legislator and a man of peace, I urge my colleagues to understand that we can have guns or butter, but not both.

Mr. Speaker, it's unfortunate that it has taken the consideration of a war-funding bill to address these important domestic priorities. As you know, up until recently, the Administration and the Republican leadership have complained that the inclusion of this domestic funding in a war supplemental smacks of fiscal irresponsibility. To them, spending federal dollars to improve G.I. bill benefits for our battle-weary veterans, to extend unemployment benefits for those left behind by failed trickle-down economic policies, and to safeguard the reimbursement amounts paid to doctors, who provide medical care to the most vulnerable Americans, is spending that this country cannot afford.

Mr. Speaker, I have a message for this Administration and their congressional allies: Bettering and strengthening the lives of the American people is the purpose of this great institution. Such action is not optional. It is our sworn duty. And if anyone has shown fiscal recklessness, it has been this President. After 6 years of bloody war, this Nation is $592 billion dollars poorer. It is the height of callousness to say that we don't have enough money for our veterans, the unemployed, or our Medicaid doctors; that it is they who are expendable—even as the President burns through billions of taxpayer dollars in Iraq.

I suppose that we shouldn't be surprised that this Administration is willing to sacrifice the American people, while its allies at Halliburton, ExxonMobil, and Blackwater continue to make record profits off of this war. After all, this Administration ceased being accountable to the American voter long ago. In a recent interview with ABC News, the Vice President himself admitted as much. When asked whether or not it was significant that two-thirds of the American people now believe that the War in Iraq is no longer worth fighting, Mr. CHENEY responded, ''So?''

Mr. Speaker, the President and the Vice-President have forsaken their duty to be responsive to the public. As such, we in the Congress must step in and fill this void. Someone must give the American people a voice, especially when Executive Branch officers act in ways contrary to the public good.

Mr. Speaker, setting aside issues of education funding, job aid, and other worthy public policy aims, this body must not ignore the one undeniable reality that dominates everything that we will talk about this day: As of today, we have been at war for 1865 days, with no end in sight. If we approve this war funding, that number will likely climb to over 2000 days. We as a Nation have endured 1865 days of civil war, IEDS, ethnic cleansing, aid-worker beheadings, suicide bombings, sweetheart no-bid contracts, rank government corruption, and solemn vigils over flag draped coffins. Mr. Speaker, this war must end. The American people and the Iraqi people have endured enough. I urge my colleagues to vote against funding this war another day. Tomorrow, we will have been at war for 1866 days. It will be 1866 days too many.

Mr. MITCHELL. Mr. Speaker, I rise today in support of H.R. 5740, the Post 9/11 Veterans Education Assistance Act—bipartisan legislation that honors our men and women in uniform and strengthens our military.

I am pleased that this bill was included as part of the emergency war funding measure that the House is considering today because I believe taking care of those who serve in war is a cost of war. America should never fight wars without taking care of our own.

Since World War II, our Nation has offered education benefits to returning GIs. The Servicemen's Readjustment Act of 1944, the first GI Bill, which was passed unanimously by this House, paid for the tuition, books, fees, training costs, and even a monthly stipend for our returning veterans.

After World War II, nearly 8 million veterans, out of a wartime veteran population of 15 million, used the original GI Bill to earn an education. The economic return was unprecedented. For every dollar we spent on the GI Bill, we generated seven more into our national economy. Millions of newly educated veterans led our Nation in business and innovation and created the American middle class. It's no wonder the GI Bill of 1944 is regarded as one of the most successful pieces of legislation to earn this House's approval in the 20th century.

Since that time, Congress has passed other GI bills, but over time, the value of the education benefit has declined. The current Montgomery GI Bill, for example, was designed for peacetime service, and is not meeting the needs of our newest generation of veterans, many of whom are returning from combat in Iraq and Afghanistan.

Our veterans—whether active duty, Reservists, or National Guardsmen—deserve an education benefit that accounts for the stress of war and keeps up with the rapidly increasing cost of a higher education. That is why, with the backing of a broad, bipartisan coalition, I introduced H.R. 5740, the Post-9/11 Veterans Educational Assistance Act.

Under the legislation, GIs returning from Iraq or Afghanistan would receive up to 4 academic years of education benefits, including stipends for housing and books. They can even use their benefits at private schools through the Yellow Ribbon G.I. Education Enhancement Program, in which the Federal Government will match, dollar for dollar, any voluntary additional contributions to veterans from institutions whose tuition is more expensive than the maximum educational assistance provided under this legislation.

Veterans would even have up to 15 years after they leave active duty to use their education benefits.

When I was elected to this House, my constituents asked me to work in a bipartisan way to find reasonable solutions to our common problems. And I think we achieved that with this bill.

Working together with my Democratic and Republican colleagues, we attracted more than two-thirds of the House as cosponsors. Ninety-five Republicans, nearly half of the minority party's membership, lent their support.

I am happy that House leadership was able to build on this support and work with the President to come to a bipartisan agreement to provide this robust educational benefit to our veterans.

I encourage the Senate to act quickly to pass this new GI Bill and make good on our promise of a higher education.

Our veterans have fought for us. The least we can do is fight for them.

Mr. UDALL of Colorado. Mr. Speaker, I will vote for these amendments today. They provide necessary funding for our troops, create new educational benefits for our veterans, and address domestic and global needs.

The war funding will pay for operations in Afghanistan and Iraq for the rest of this year and half of 2009. I support this because it will make it possible to provide the equipment, ammunition, fuel, and other supplies needed by our brave men and women serving in Iraq and Afghanistan who have shown such extraordinary skill, determination and endurance in answering their call to service.

I opposed the Bush Administration's rush to war in Iraq, and voted against the resolution that authorized the President to send our armed forces into that country on the theory that this was necessary in order to deprive the Saddam Hussein regime of weapons of mass destruction. So, I understand why some of my constituents who also opposed the war want Congress to reject this funding measure.

And I could not agree more that the record of the current Administration demonstrates an

enormous failure of leadership. We desperately need new leadership that will bring to a close our open-ended military engagement in Iraq and will refocus on the very urgent tasks of reducing the terrorist threats in Afghanistan and Pakistan.

But I am convinced that voting to deny funds to provide our men and women in uniform the resources they need to do their jobs is not the right way to bring about the change we need—especially because President Bush has shown he is prepared to veto funding for the troops rather than agree to change course.

This bill also improves veterans' educational benefits to more closely resemble the GI Bill of Rights that made it possible for so many World War II veterans to go to college. The GI Bill of Rights helped make possible the postwar growth of the middle class that was one of the greatest achievements of the Greatest Generation. Some have complained about the cost of providing similar benefits to those who are serving today. But to put those costs into perspective, we should remember that so far our spending for military activities in Afghanistan and Iraq has exceeded $800 billion.

By all indications, this bill will not be vetoed. Compromises were made on all sides to make it acceptable to the White House and the leadership of both parties. Of course, compromise means that everyone gives up something.

So there is good news: The bill addresses the needs of our soldiers and provides enhanced educational benefits for our veterans—but also extends unemployment benefits to help laid-off workers, provides relief for the thousands of people flooded out of their homes in the Midwest, and prevents the implementation of new rules that would increase the cost of healthcare, among other provisions. But there also is bad news: The bill does not include all the important policy provisions included in the first version of this bill, among them a requirement that our troops begin to redeploy from Iraq, a reminder to Iraq's government that U.S. troops will not remain in Iraq indefinitely.

I'm disappointed that the bill gives the President most of what he wants in Iraq spending without any significant policy constraints. Congress has tried and failed to include such constraints in previous spending bills, and here we have failed again. What we need is consensus here at home on a path forward in Iraq, but as long as the architect of our current Iraq policy occupies the White House, I'm afraid that won't happen.

I hope that the next Administration will give serious consideration to the recommendations of the Iraq Study Group as a framework for consensus. Those recommendations would be accomplished by legislation I introduced last year, which would support a course of escalating economic development, empowerment of local government, the provision of basic services, a ''surge'' in regional and international diplomatic efforts, and lightening the American footprint in Iraq.

Mr. Speaker, I voted against war in Iraq because, as I said then, the Bush Administration was rushing to war without necessary international support or a clear plan to prevent the chaos that would follow after Saddam Hussein was overthrown. I was concerned a prolonged conflict would devolve into civil war. Since U.S. troops entered Iraq more than 5 years ago, we have lost thousands of our brave service men and women, seen tens of thousands more wounded, and spent half a trillion dollars in taxpayer money.

Yet the President's mission is no clearer, he has still offered no exit strategy, our enemies in Afghanistan have regained their strength, and our armed forces have been stretched to the breaking point.

Only Democrats and Republicans working together can find the path out of Iraq. I will continue to work with colleagues on both sides of the aisle on further steps we can take to change our broader Iraq policy. But today, I will vote to provide funding for our troops in the field, enhanced educational benefits for our veterans, and assistance for Americans suffering through the current economic downturn and the high costs of healthcare.

Mr. HOLT. Madam Speaker, I regret that the House is taking up a supplemental funding measure for the war in Iraq without tying that funding to a withdrawal requirement. I was in Iraq last month and had the chance to speak at length with General Petraeus and Ambassador Crocker about the situation in that country. There is no disputing that our casualties are down, and that is due in no small part to General Petraeus's revised military approach to the conflict. But the purpose of the surge wasn't simply to reduce our casualties; it was to give the Iraqis time to resolve their political differences via dialogue, not car bombs. That has not happened, and there is no reason to believe it will happen. Indeed, the only thing Iraq's warring factions seem to agree on these days is that they oppose permanent U.S. bases in Iraq. This no-strings-attached funding measure will only make matters worse, which is why I cannot support it.

I am pleased to be able to support the new GI Bill. For the first time in over 60 years, our returning veterans will have a truly robust educational benefit waiting for them. We all know how successful the original GI Bill was and how much it contributed to fueling our country's economic and social progress it the decades after World War II. We need to make that kind of investment in our people once again. No one can dispute our veterans have earned it and no one can dispute the long term benefits our society will reap from implementing a new GI Bill. I look forward to seeing it become law.

This bill also provides a desperately needed 13-week extension of unemployment benefits for people who are struggling to find work in this tough economy. Since last year, the number of Americans seeking employment has swelled by 800,000 while the economy has lost 260,000 jobs.

In addition, the legislation blocks the implementation of dangerous Medicaid regulations that the Bush administration has issued which would cut $20 billion from Medicaid. I oppose these regulations and will continue to fight to protect the Medicaid program and the millions of Americans who rely on it for access to health care services.

Finally, the $400 million in funding for science included in the bill represents a downpayment in our continued effort to provide a robust investment for science, research and development, and innovation. By making a strong investment, we will support research that will help contribute to the Nation's long term economic growth.

Mr. VAN HOLLEN. Mr. Speaker, this Emergency Supplemental bill presents the House with two very distinct amendments—and two very separate decisions.

The first amendment we are being asked to consider would provide $165.4 billion for the ongoing wars in Iraq and Afghanistan. My position on the war in Iraq is clear. I believe the decision to invade Iraq was a mistake. And I simply cannot support giving this President a blank check to further mishandle our involvement in Iraq. Because this amendment does not include the conditions that were contained in the bill that the House passed, I will be voting no on this portion of the Supplemental today.

While I oppose this war, I have nothing but admiration and gratitude for our fellow citizens who choose to serve this Nation in uniform. It is in large measure because of my respect for their honorable service that I will be proud to support the second amendment before us today.

A centerpiece of this second amendment is a GI Bill for the 21st century. Just as a grateful Nation expanded opportunities for GIs returning home from World War II over 60 years ago, so now must our generation invest in our soldiers returning home from Iraq and Afghanistan so that they can get a 4-year college education. We have an obligation to invest in their future.

With the Nation's economy slowing, and our unemployment rate on the rise, this second amendment also appropriately includes a 13-week extension in unemployment benefits to sustain our fellow citizens and their families as they continue to look for work.

I am particularly pleased that this amendment places a moratorium on six Medicaid regulations that had threatened to cut needed services to those who rely on them—and that we have moved quickly to provide over $2.65 billion in disaster relief to assist in the recovery efforts after the tornadoes and flooding in the Midwest.

Finally, we can be proud that this amendment invests $550 million in critical scientific research to expand our medical knowledge, improve our energy efficiency and enhance our global competitiveness—including a $150 million investment in the National Institutes of Health (NIH), $150 million for the Food and Drug Administration (FDA), $62.5 million for the Department of Energy's Office of Science, $62.5 million for the National Aeronautics and Space Administration (NASA) and $62.5 million for the National Science Foundation (NSF).

For these reasons, this second amendment is exceptionally worthy of our support,

Mr. FRELINGHUYSEN. Mr. Speaker, America expects that when the United States sends our brave men and women into combat, we provide them with the resources to protect themselves and to accomplish their mission.

Finally today—after much delay—this Congress appears to be on the verge of providing our troops the funds they need to continue their courageous efforts in the Iraq and Afghanistan—both humanitarian for the Iraqi and Afghan people and military against those who would promote terror and chaos.

There's no doubt that this proposal is a clear victory for our troops and their families.

Thanks to the efforts of Mr. OBEY and Mr. MURTHA, Mr. LEWIS and Mr. YOUNG, this package ensures that our young; warfighters—all volunteers (Active, Guard and Reserve)—have the resources they need to protect themselves and do the job they've been sent to do.

But the bill also supports the troops and their families by bringing the Montgomery GI

Bill into the 21st Century. The legislation updates the GI Bill of Rights to recognize today's higher costs of higher education. And it also recognizes the new role of the Reserves and the National Guard—3,200 from New Jersey will deploy this summer to Iraq with our 50th Brigade Combat Team.

But Mr. Speaker, this measure also includes a new, permanent provision that allows current soldiers, sailors, airmen and Marines to transfer their educational benefits to a spouse or a child.

Mr. Speaker, this is a huge improvement. Too often our personnel and forced to leave the military service they love in order to pay for their children's college education. This bill allows experienced Marines, soldiers, airmen and sailors to transfer their benefits to a dependant without separating from the service.

This reform is good for the servicemember, good for the families and good for the Army, Navy, Air Force and Marines.

My colleagues, the supplemental we vote on today is far from perfect. However, it represents a clear victory for our troops and their families.

Mr. RYAN of Wisconsin. Mr. Speaker, I congratulate Chairman OBEY, Leader BOEHNER, and Mr. LEWIS for bringing a bill to the floor that provides funding for our troops without restrictions on our commanders.

My hometown is under water, and I am glad this bill provides funding to address flooding and to help the victims whose lives have been turned upside down by this flood.

Likewise I am glad that this bill provides assistance to those facing unemployment since one of the largest employers in my district—GM—recently announced it is closing a production facility.

However, this bill is part of a very disturbing trend in how we budget and legislate—Omnibus appropriation bills. We are now resorting to two omnibus appropriations bills a year. We need to find a way to budget for emergencies, but my problem with this bill is not with the unemployment extension funding or the flood funding. These are temporary costs that have been included in emergency supplementals in the past.

My concern is with the permanent expansion in an entitlement program that we are adding to an emergency supplemental appropriations bill. Mandatory spending doesn't belong on an appropriations bill because mandatory spending is forever.

An expansion in GI benefits is a good idea. However, we have an increasingly bad habit of just adding spending on top of the $3 trillion we are currently spending annually. I congratulate the Blue Dogs for initially objecting to the fact that the GI benefits in this bill were not offset. I don't support their remedy—which is to raise taxes—but if we are going to expand entitlements, we need to find offsets. In fact, we cannot afford the entitlements we have, much less an expansion in them.

We are going to spend over $30 trillion in the next ten years; surely we could have found $63 billion in offsets. But we didn't even try. In fact, the cost of the GI benefits has grown in this final bill.

We just kick the can down the road. The problem is that our children and grandchildren will live at the end of the road and all we are doing is leaving them with a mountain of debt.

PAYGO does not exist. It is waived every time we have to make a choice. We are sent here to make decisions—to make choices—to govern. Like the floods, this bill takes the path of least resistance; it passes the buck—and the debt to future generations.

We shouldn't budget or legislate this way, but I'm going to vote for this bill because it funds the troops and provides one-time emergency funding for unemployment assistance and floods.

Mr. ETHERIDGE. Mr. Speaker, I rise in support of this legislation to provide emergency supplemental appropriations for Fiscal Year 2008. This legislation contains funding for our troops, expands education benefits for veterans, extends unemployment benefits for workers and provides assistance for the victims of the floods in the MidWest.

This bill contains $161.8 billion for DOD funding for our troops to fight the wars in Iraq and Afghanistan. As the representative of Fort Bragg and Pope Air Force Base, I'm pleased that this bill provides $2.2 billion over the President's request to fully fund military quality of life initiatives—including funding for military child care centers, military hospitals and VA hospitals. For our returning troops, it includes a new GI bill that restores full, 4-year college scholarships to veterans of the Iraq and Afghanistan wars to help make them part of an economic recovery like the veterans of World War II. This legislation also provides up to 13 weeks of extended unemployment benefits in every state to workers exhausting the 26 weeks of regular unemployment benefits, and provides $2.65 billion for urgent disaster relief in response to Midwestern floods and tornadoes.

I will continue to work with my colleagues in Congress as well as the President and the Administration, to provide a new direction in Iraq and to meet the critical needs of the people of North Carolina's Second Congressional District.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1284, the previous question is ordered.

Pursuant to that resolution, the Chair will divide the question for voting between the proposed dispositions of the two Senate amendments.

The Clerk will designate the first proposed disposition.

The Clerk read as follows:

Proposal that the House concur in the Senate amendment to House amendment No. 1.

The SPEAKER pro tempore. The question is, Will the House concur in the Senate amendment to House amendment No. 1?

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

Mr. OBEY. 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 will be followed by 5-minute votes on concurring in the Senate amendment to House amendment No. 2 with an amendment, if ordered, and suspending the rules and adopting House Resolution 1029.

The vote was taken by electronic device, and there were—yeas 268, nays 155, not voting 12, as follows:

[Roll No. 431]

YEAS—268

Aderholt
Akin
Alexander
Altmire
Bachmann
Baird
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (TX)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Cantor
Capito
Carney
Carter
Castle
Cazayoux
Chabot
Chandler
Childers
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Donnelly
Doolittle
Drake
Dreier
Edwards (TX)
Ehlers
Ellsworth
Emanuel
Emerson
English (PA)
Etheridge
Everett
Fallin
Feeney
Ferguson
Forbes
Fortenberry
Fossella
Foster
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gillibrand
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Gene
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Hinojosa
Hobson
Hoekstra
Holden
Hoyer
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kanjorski
Keller
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Larsen (WA)
Latham
LaTourette
Latta
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Mahoney (FL)
Manzullo
Marchant
Marshall
Matheson
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mitchell
Mollohan
Moore (KS)
Moran (KS)
Murphy, Tim
Murtha
Musgrave
Myrick
Neugebauer
Ortiz
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sali
Saxton
Scalise
Schmidt
Schwartz
Scott (GA)
Sensenbrenner
Sessions
Sestak
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Snyder
Souder
Space
Spratt
Stearns
Tancredo
Tanner
Taylor
Terry
Thornberry
Tiberi
Turner
Udall (CO)
Upton
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield (KY)
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wittman (VA)
Wolf
Young (AK)
Young (FL)

NAYS—155

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baldwin
Becerra
Bishop (NY)

Blumenauer
Boswell
Brady (PA)
Braley (IA)
Butterfield
Campbell (CA)
Capps
Capuano
Cardoza
Carnahan
Carson
Castor
Clarke
Clay
Cleaver
Cohen
Conyers
Costello
Courtney
Crowley
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Doggett
Doyle
Duncan
Edwards (MD)
Ellison
Engel
Eshoo
Fattah
Filner
Flake
Frank (MA)
Green, Al
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Higgins
Hinchey
Hirono
Hodes
Holt
Honda
Hooley
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kaptur
Kennedy
Kilpatrick
Klein (FL)
Kucinich
Langevin
Larson (CT)
Lee
Lewis (GA)
Loebsack
Lofgren, Zoe
Lowey
Lynch
Maloney (NY)
Markey
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McNerney
McNulty
Meek (FL)
Meeks (NY)
Michaud
Miller (NC)
Miller, George
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Price (NC)
Rahall
Rangel
Richardson
Rothman
Roybal-Allard
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Scott (VA)
Serrano
Shea-Porter
Sherman
Sires
Slaughter
Smith (WA)
Solis
Speier
Stupak
Sutton
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (NM)
Van Hollen
Velázquez
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Yarmuth

NOT VOTING—12

Bachus
Cannon
Farr
Gilchrest
Hulshof
Nunes
Perlmutter
Rush
Stark
Sullivan
Tiahrt
Visclosky

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). The Chair notes a disturbance in the gallery in contravention of the law and the rules of the House.

The Sergeant at Arms will remove those persons responsible for the disturbance and restore order to the gallery.

□ 2004

Mrs. NAPOLITANO and Ms. ROYBAL-ALLARD and Messrs. ELLISON, ROTHMAN, MURPHY of Connecticut, ACKERMAN, BACA and COHEN changed their vote from ''yea'' to ''nay.''

Mr. BAIRD and Mrs. CUBIN changed their vote from ''nay'' to ''yea.''

So the Senate amendment to House amendment No. 1 was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. SULLIVAN. Mr. Speaker, on rollcall No. 431 I was unable to record my vote. I intended to vote "yea" on that question. I ask that this statement appear in the RECORD adjacent to rollcall No. 431.

Mr. NUNES. Mr. Speaker, on rollcall No. 431, I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. PERLMUTTER. Mr. Speaker, on rollcall No. 431, I missed this vote. Had I been present, on this amendment I would have voted "no."

The SPEAKER pro tempore. The Clerk will designate the second proposed disposition.

The Clerk read as follows:

Proposal that the House concur in the Senate amendment to House amendment No. 2 with an amendment.

The SPEAKER pro tempore. The question is, Will the House concur in the Senate amendment to House amendment No. 2 with an amendment?

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 416, noes 12, not voting 7, as follows:

[Roll No. 432]

AYES—416

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

NOES—12

Brady (TX)
Campbell (CA)
Cooper
DeFazio
Duncan
Flake
Franks (AZ)
Paul
Royce
Sensenbrenner
Smith (WA)
Weldon (FL)

NOT VOTING—7

Cannon
Gilchrest
Hulshof
Rush
Stark
Tiahrt
Visclosky

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 2013

So the Senate amendment to House amendment No. 2 with an amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONGRATULATING AND RECOGNIZING CHI-CHI RODRIGUEZ

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution, H. Res. 1029, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and agree to the resolution, H. Res. 1029, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 415, nays 0, not voting 19, as follows:

[Roll No. 433]

YEAS—415

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

NOT VOTING—19

Andrews
Cannon
Davis, Lincoln
DeLauro
Dicks
Gilchrest
Herseth Sandlin
Hirono
Hulshof
Murtha
Napolitano
Pickering
Rangel
Rush
Stark
Tiahrt
Visclosky
Walsh (NY)
Waters

□ 2021

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

The result of the vote was announced as above recorded.

The title was amended so as to read: ''Resolution congratulating and recognizing Mr. Juan Antonio 'Chi-Chi' Rodriguez for his continued success on and off of the golf course.''.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FARR. Madam Speaker, on roll-call 431, I was unable to record my vote. I intended to vote ''no'' on that question.

''NO. NO. THEY WON'T GO.''

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

Mr. POE. Madam Speaker, on Monday, five black-robed judges down the street decided that we weren't doing enough for illegal trespassers.

The Supreme Court just made it easier for illegals to extend their stay in the United States, even after they have been ordered to leave. People like Nigerian Samson Dada, who has been in our country illegally since 1998, can now manipulate and game the system in order to get more time. He has refused to go home, and the Supreme Court basically has said, ''It's okay. You can stay in spite of being lawfully deported.''

The Supreme Court's ruling overturned other court decisions upholding his deportation. In other words, the High Court ruled in favor of people who have laughingly ignored and disregarded our laws.

Once again, the Supreme Court has made law rather than interpret law. The five liberal judges on the Supreme Court who wish to write our laws should take off their black robes and run for Congress. After all, the Constitution I read says Congress should make law, not the Supreme Court.

Contrary to what the Supreme Court seems to believe, our justice system has an obligation to protect the rights of people who follow the law, not expand the privileges of those who are illegally on our land.

And that's just the way it is.

SPECIAL ORDERS

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

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

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

ENERGY POLICY

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, I want to talk about the energy policy this Congress has passed recently. This Congress has decided to spend a lot of taxpayer money and subsidize this concept of corn-based ethanol in the United States.

We are sending a lot of money to farmers to grow corn so that it can be burned in our vehicles. Now, I don't blame the farmers for what they do. After all, we have encouraged them to produce corn-based ethanol.

But the problem with corn-based ethanol is it is a pollutant. Now we are finding out from Science Magazine that it's a pollutant more so than was first thought from the beginning. Because of the subsidies, we are encouraging corn-based ethanol.

It also has raised corn prices throughout the world because no longer are we eating corn, we are burning it in our vehicles. It has increased the amount of land that we are tilling up, grasslands, for example, forest, for example, and turning it into agricultural land where we produce corn-based ethanol to burn in our vehicles.

It's also expensive. Everything that has to do with corn products has raised in prices over the last 2 years because we are not using corn in our foodstuffs, we are burning it in our vehicles. But probably the greatest problem with corn-based ethanol is how it's produced. Corn is one of those commodities that takes a lot of fertilizer. In fact, it takes more fertilizer to produce corn than any other product that we eat, such as rice or wheat or even the grasslands.

Because that fertilizer is being dumped in the Midwest, it drains off in the rivers down the Mississippi River and comes into the Gulf of Mexico. One would argue, so what? Well, the problem with that is, fertilizer has nitrogen in it and phosphorus. That nitrogen and phosphorus, when it goes into the Gulf of Mexico, has created what is called now a dead zone.

It's called a dead zone because nothing lives there except algae. The fish, the ones that are there, have died unless they have moved way offshore, you know, out there off the continental coast where we don't drill for crude oil any more.

This map here shows, this is a NASA map, satellite photo, shows that it's about 470 miles along our gulf coast, Texas, Louisiana, Mississippi. It even goes all the way to Florida, but it also extends out in the gulf about 178 miles.

□ 2030

It's a dead zone. Nothing grows there. Nothing lives there but algae, and it's all because Congress with unintended consequences is encouraging the production of corn-based ethanol, and the fertilizer goes down the Mississippi River and kills everything in this area. Madam Speaker, it stays for years. It gets bigger every year, this dead zone. It kills off the fish, and all of the fishermen along the gulf coast are having to go way out in the Gulf of Mexico out there where we don't drill for crude oil anymore, and they have to fish to get fish for Americans to eat.

Congress needs to reevaluate its policy of depending on some product that now not only is a pollutant but is an expensive pollutant, and it also creates havoc in the Gulf of Mexico by causing a dead zone. We need to be aware of such unintended consequences when Congress passes legislation.

Madam Speaker, we need an energy policy. We need an energy policy now—Americans demand it—but we also need some common sense in what we do, and maybe we should rethink the whole concept of corn-based ethanol because, after all, Madam Speaker, it's not going to save us all.

And that's just the way it is.

ENERGY INDEPENDENCE IN AMERICA

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

Ms. KAPTUR. Mr. Speaker, the American people are crying out. The story in my district is no different than across our country. As gas prices continue to rise, Washington is deadlocked. The energy crisis is sapping our economic future coast to coast. Consolidation in the oil industry is putting a tourniquet on the heart of the American economy.

In 1983, the United States consumed about 18 percent of the world's oil supply. Today, with the price of oil at over $135 a barrel, our share of world oil consumption has grown to over 25 percent. We only have 5 percent of the world's population, but we consume 25 percent of the global oil supply.

During the last 25 years, our country has gone from producing the majority of its oil domestically to importing most of our oil from abroad. So, since 1997, the United States' gluttony for oil has boiled over, and we've been consistently importing more than half of the oil we consume since the late 1990s. The increasing levels of oil importation have caused our structural deficit to skyrocket and have encouraged the creation of a pipeline that flows in the wrong direction—straight from the Middle East.

This pipeline is not carrying back our finished cars or windmills or solar arrays, but, instead, hundreds of billions of dollars every year from the American people's pockets are going to some of the most undemocratic regimes in the world.

The GAO has recently come to a conclusion which is obvious to the American people. As oil companies continue to consolidate, the price of oil spikes. The GAO report shows that, for the seven large mergers they modeled, five led to increased prices. Especially with the ExxonMobil and MAP–UDS oil merger, gas prices have increased upwards of 2 cents a gallon. Since 1976, not a single refinery has been built in this country, and between 1991 and 2000, over 2,600 mergers in all segments of the U.S. petroleum industry have destroyed competition.

As fewer players control bigger segments of the industry, the American people lose. ExxonMobil reports earnings of $40 billion in a single year, and as the price of gasoline increases, these firms merge into even larger and larger conglomerates.

This week, we passed into law a farm bill with over $1 billion of incentives to begin converting a portion of our market to biofuels. That is long overdue. With gasoline prices reaching toward $5 a gallon, it's time for action here in Washington. The other body and the President should join us in passing H.R. 1252, the Federal Price Gouging Prevention Act, H.R. 5351, the Renewable Energy Act and Energy Conservation Tax Act of 2008, and a renewable energy portfolio standard to bring these new energy technologies into our Nation's grid. While our House of Representatives has acted on these bills, we really need a commitment from the other part of this institution and up Pennsylvania Avenue.

As this summer's driving season begins, Americans will be brutally reminded that energy innovation will never materialize unless we develop public policy that prevents the big oil companies from manipulating and from controlling our market. In fact, we really lost control in 1998 when over half of our market came from someplace else. From investigations into the futures market to a comprehensive antitrust policy, we can get rid of the corruption, manipulation and speculation that have driven the cost of oil higher and higher to a point where many of our people simply cannot afford it. The way out of this is innovation and invention, and these very same companies should not throttle that invention in this country. In fact, they should be investing in it themselves.

This government needs to take a lead in helping every American, if they so choose, to become a producer on the roofs of their houses and in the fields in their regions. We could have wind farms, geothermal, fuel cells, biofuels, cryogenic hydrogen. All of these are a part of America in the 21st century.

Mr. Speaker, it's really difficult to be a Member of Congress and to see the future and yet not be able to gain a majority of votes in both Chambers and the real leadership of the President of the United States to meet this critical national need. America's energy dependence is our largest strategic vulnerability. It's time that we stopped trying to bring in oil from every place else on the globe and, rather, become energy independent here at home.

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

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

OIL DRILLING IN AMERICA

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. Mr. Speaker, I have great respect for Ms. KAPTUR, who just spoke. She and I have been friends for a long, long time, and I agree with much of what she just said.

We really need to move toward energy independence, and we need to use alternative methods of getting our independence. The problem is it's going to take time. If we use solar, if we use wind power, if we use all of these alternative sources, it's going to take time. It isn't going to happen in 1 year, 2, 3, or 4 years where we can not rely on oil or gas any longer. It's going to take time. In the meantime, Americans are paying $4-plus per gallon of gasoline because we don't have the oil necessary to keep the cost of gasoline down.

She is absolutely correct. We depend too much on foreign sources of oil. We depend on Saudi Arabia. We depend on Venezuela, which is not a friend of ours. We depend on Canada, on Mexico and on other countries throughout the world. We ought to be drilling right here in America. We have enough energy in this country to become energy independent.

Now, my colleagues on the other side of the aisle say, well, that's going to take time. It may take 10 years, if we get oil out of the ground today, to get it to market. Well, if that is the case, we still should do it, but experts whom I've talked to who have geological backgrounds say that we can start getting that oil to market within 1 or 2 years, and we could force the price of oil down very quickly if we decide we're going to drill here because it's going to put pressure on those who are producing oil that we're using around the world. It's going to force them to reevaluate the cost that they're charging us for the oil we're getting from them.

Some of my colleagues on the other side of the aisle say, oh, these oil companies have all of these permits, and they ought to be drilling where they have those permits now. Those permits run 5 to 10 years. If they don't drill in those areas, then those permits expire, and they're bid on by somebody else.

So why would an oil company not want to drill if they have a permit?

It's because, when they get that permit, they don't know how much oil is down there, and they're certainly not going to invest millions or billions of dollars to drill for oil when they know it's not there. Once they get the permit, they do a geological study, and they do seismic studies to find out if there's oil down there. If there is no oil there, they don't drill, and so they don't utilize their permits. That's why we need to get more land available for drilling.

Right now, on the Continental Shelf, we're using 3 percent of the available area. Ninety-seven percent is not being explored. We can do that in an environmentally safe way, and we ought to allow these oil companies to drill in those other areas and get permits to do it. If there's oil there, they're going to drill there.

Why don't they drill in some of these other areas where there might be some oil?

Well, it costs $2 billion to explore and to build an oil derrick, a platform, out in the Gulf of Mexico or out on the Continental Shelf. If they can't make $2 billion back, they ain't going to drill there. That's why these permits, many times, are not useful, and that's why we need to explore in other areas.

Now I'd like to also talk really briefly about the ANWR. They have done geological studies up there, and they know that there are billions of barrels of oil up there. If we drill there, we can get 1 million barrels of oil a day to help lower the price of gasoline in this country.

So, Mr. Speaker, if I were talking to Americans tonight instead of to my colleagues—and I can't do that because we can't address Americans—I would say this: You ought to contact your Congressman and Senators and say, ''I want my gas prices reduced, and I want you to drill in America. I want you to move this country toward energy independence.'' We talked about it 30 years ago under the Carter administration, and we never did it.

If I were talking to them, Mr. Speaker, I would say that you ought to tell your Congressman to get with the program, to drill in America, to make us energy independent, and to bring down the price of energy, especially that of our gasoline.

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

(Mr. DEFAZIO 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 Michigan (Mr. MCCOTTER) is recognized for 5 minutes.

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

DOCTOR-OWNED HOSPITALS

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

Mr. HASTINGS of Washington. Mr. Speaker, on June 8, the New York Times published a story that raised questions about Senators that amended legislation to protect home State hospitals from a new move in this Congress to ban doctor-owned hospitals. The article labeled these actions as ''special interest'' and questioned their appropriateness. It cited specific Senators, including a senior Senator from my State of Washington.

Mr. Speaker, I'm not familiar with the circumstances surrounding each hospital in the article, but I am very familiar with Wenatchee Valley Medical Center and efforts being undertaken by those who represented in Congress to protect this institution from the threat of a government-forced closure or sale.

The criticism leveled against the Washington State Senator in the New York Times article is unjustified and totally without merit. Senator MURRAY's action to protect the Wenatchee Valley Medical Center was entirely appropriate. In fact, it's what this Nation's citizens should expect from their elected representatives.

Mr. Speaker, it's troubling that the targets of scrutiny are those who are standing up and who are protecting their constituents and not those seeking to force the closure or sale of a hometown hospital system simply because it is doctor-owned.

The Wenatchee Valley Medical Center and its seven clinics serve a rural population, in my State, of a quarter of a million people in an area the size of the State of Maryland. The medical center accepts all patients regardless of their ability to pay, and it has a long record of providing quality care. Today, it is jointly owned by 150 doctors. For this simple reason, it is a target for some who think doctor ownership should be banned.

Twice in this Congress House Democrats have passed bills that would outlaw the Wenatchee Valley Medical Center as it exists today, not because of any poor care or bad behavior by its doctors but simply because it is owned by doctors. I offered amendments to both bills. Some of my amendments would have stopped the ban on doctor-owned hospitals. Others would have altered the ban to protect the Wenatchee Valley Medical Center. Unfortunately, House Democrat leaders blocked every one from even being debated and voted on the floor of the House. These same House leaders also swept aside the objections and concerns of at least eleven Democrats who have spoken out against this proposal and the harm it would cause to their local hospitals.

When I last spoke on the House floor against such legislation, I asked the Democrat chairman of the Energy and Commerce Health Subcommittee if he would work with me to exempt the few existing doctor-owned hospitals that would be impacted in both Democrat and Republican districts. He replied, ''The answer is no.''

The Democrat chairman of the Ways and Means Subcommittee on Health

was quoted by the New York Times as saying, ''He would prefer not to exempt any doctor-owned hospitals.''

When the Federal Government dictates that doctors can't own a hospital, Mr. Speaker, this is a step towards a Canadian-style, government-run health care system under which the Federal Government decides where, when, how, and even if Americans get care. This means Americans could be faced with waiting lists and rationing and bureaucrats, not doctors, making decisions about their health.

With those who control the House intent and insistent on banning doctor-owned hospitals, at a minimum, protection must be given to allow existing facilities like the Wenatchee Valley Medical Center to continue serving patients like it has, Mr. Speaker, for 60 years.

Being 1 out of 100, the powers of an individual Senator are considerable. Senator MURRAY used her committee position to add language protecting the Wenatchee Valley Medical Center to legislation that included the ban on doctor-owned hospitals.

Mr. Speaker, she has done the right thing. Despite what may have been printed in the New York Times, I will keep working with Senators MURRAY and CANTWELL and Congresswoman MCMORRIS RODGERS to fully protect the Wenatchee Valley Medical Center. I reject any notion that what Senator MURRAY has done is anything but appropriate and necessary, and I commend her for her actions.

□ 2045

SUNSET MEMORIAL

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

Mr. FRANKS of Arizona. Mr. Speaker, I stand once again before this House with yet another Sunset Memorial.

It is June 19, 2008, in the land of the free and the home of the brave, and before the sun set today in America, almost 4,000 more defenseless unborn children were killed by abortion on demand. That's just today, Mr. Speaker. That's more than the number of innocent lives lost on September 11 in this country, only it happens every day.

It has now been exactly 12,932 days since the tragedy called Roe v. Wade was first handed down. Since then, the very foundation of this Nation has been stained by the blood of almost 50 million of its own children. Some of them, Mr. Speaker, cried and screamed as they died, but because it was amniotic fluid passing over the vocal cords instead of air, we couldn't hear them.

All of them had at least four things in common. First, they were each just little babies who had done nothing wrong to anyone, and each one of them died a nameless and lonely death. And each one of their mothers, whether she realizes it or not, will never be quite the same. And all the gifts that these children might have brought to humanity are now lost forever. Yet even in the glare of such tragedy, this generation still clings to a blind, invincible ignorance while history repeats itself and our own silent genocide mercilessly annihilates the most helpless of all victim, those yet unborn.

Mr. Speaker, perhaps it's time for those of us in this Chamber to remind ourselves of why we are really all here. Thomas Jefferson said, "The care of human life and its happiness and not its destruction is the chief and only object of good government." The phrase in the 14th amendment capsulizes our entire Constitution. It says, "No State shall deprive any person of life, liberty or property without due process of law." Mr. Speaker, protecting the lives of our innocent citizens and their constitutional rights is why we are all here.

The bedrock foundation of this Republic is the clarion declaration of the self-evident truth that all human beings are created equal and endowed by their Creator with the unalienable rights of life, liberty and the pursuit of happiness. Every conflict and battle our Nation has ever faced can be traced to our commitment to this core, self-evident truth.

It has made us the beacon of hope for the entire world. Mr. Speaker, it is who we are.

And yet today another day has passed, and we in this body have failed again to honor that foundational commitment. We have failed our sworn oath and our God-given responsibility as we broke faith with nearly 4,000 more innocent American babies who died today without the protection we should have given them. And it seems so sad to me, Madam Speaker, that this Sunset Memorial may be the only acknowledgement or remembrance these children who died today will ever have in this Chamber.

So as a small gesture, I would ask those in the Chamber who are inclined to join me for a moment of silent memorial to these lost little Americans.

So Mr. Speaker, let me conclude this Sunset Memorial in the hope that perhaps someone new who heard it tonight will finally embrace the truth that abortion really does kill little babies; that it hurts mothers in ways that we can never express; and that 12,932 days spent killing nearly 50 million unborn children in America is enough; and that it is time that we stood up together again, and remembered that we are the same America that rejected human slavery and marched into Europe to arrest the Nazi Holocaust; and we are still courageous and compassionate enough to find a better way for mothers and their unborn babies than abortion on demand.

Mr. Speaker, as we consider the plight of unborn America tonight, may we each remind ourselves that our own days in this sunshine of life are also numbered and that all too soon each one of us will walk from these Chambers for the very last time.

And if it should be that this Congress is allowed to convene on yet another day to come, may that be the day when we finally hear the cries of innocent unborn children. May that be the day when we find the humanity, the courage, and the will to embrace together our human and our constitutional duty to protect these, the least of our tiny, little American brothers and sisters from this murderous scourge upon our Nation called abortion on demand.

It is June 19, 2008, 12,932 days since Roe versus Wade first stained the foundation of this Nation with the blood of its own children; this in the land of the free and the home of the brave.

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

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

RECOGNIZING THE SERVICE OF GENERAL MICHAEL T. MOSELEY

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

Mr. BISHOP of Utah. Mr. Speaker, I rise this evening to express my appreciation to a fine public servant and military officer, former Air Force Chief of Staff, General Michael T. Moseley, who recently resigned on orders from the Secretary of Defense.

The timing of this unprecedented decision to dismiss both top Air Force leaders only days before the decision on the tanker program, and during a time of wartime stress on Air Force personnel, is unfortunate. Nevertheless, every military and civilian officer knows that he serves at the pleasure of the President and can be dismissed for any reason. As professional leaders, General Moseley and former Secretary Wynne accepted that fact.

Unfortunately, the entire record of their decades of public service may be at risk of being pushed aside.

In particular regard to General Michael Moseley, it would be hard to find a more competent and experienced Air Force chief since the service's inception over 60 years ago. Entering the Air Force in 1971, he quickly rose through the ranks, and his competency as the top F–15 pilot led to command responsibilities around the world. Like no other Air Force Chief in a generation, General Moseley demonstrated he knew how to command air power during combat operations because he led coalition Air Forces in Afghanistan and Iraq that employed greater precision and air-ground coordination than ever before.

He served as Chief of the Air Force during a very tumultuous time. He confronted the challenging budget and personnel cuts posed by the Quadrennial Defense Review, as well as additional cuts administered or mandated by the administration.

He helped to steer the Air Force through some tough times, and in so doing, and to his credit, he always put the airmen and their families first. He recognized that our Nation unwisely took a ''holiday from history'' in the 1990s by delaying aircraft modernization and, as a result, our pilots are flying aircraft that average nearly 40 years of age. We have F–15s literally falling apart in the air. We have F–16s that are nearing the end of their service-life. We have 40-year-old tankers and 50-year-old bombers.

And we have Third World nations that are fielding fighters that are, or soon will be, equal to our fourth-generation fighters. And, at the same

time, we have not committed to recapitalizing our fighter fleet of F–22s and F–35s in the number necessary to meet validated military requirements. It takes almost 20 years to develop, test and field a new advanced weapons system. If we take more ''holidays from history'' we leave our Nation and future generations at risk. This Nation has taken for granted our traditional air superiority. And General Moseley was right to have pointed out these vulnerabilities.

We never know in advance our next adversary. We must be prepared and strong for both asymmetric threats as well as resurgent adversarial nations, and General Moseley understood this very well.

The Air Force is still called upon around the clock to undertake combat missions, targeted air strikes, deliver troops and cargo and provide intelligence platforms.

Our ground forces have come to rely on the Air Force, mainly because, well, they're so competent. And that's no accident. General Moseley understood this because he was there actually commanding airmen in combat operations.

General Moseley recognized the national security implications posed by the growing cybersecurity threat. He did not just wring his hands. He took concrete actions to establish the Air Force Cyber Command Initiative. He oversaw the historic development of Unmanned Aerial Vehicles in combat, and also instituted training to help instill a ''warrior ethos'' in the Air Force. He should be commended for that vision.

I am proud of General Moseley. His sense of responsibility to the Air Force's overall mission led him to voice legitimate with Congress on matters like serious deficiencies in aircraft modernization, even at the risk of his career. To me, this is real integrity. When we have hearings on the Armed Services Committee, what we're after is the real truth, unvarnished and unblinking. We're not looking for a sanitized version. General Moseley was an advocate for modernization, and this advocacy is something which, though he was absolutely correct in both fact and merit, earned him criticisms where he should have found support.

The Secretary of Defense cited a failure of leadership within the Air Force in regards to its nuclear mission. Those are indeed serious charges, but the Department of Defense shares the responsibility through the impact of both budget cuts and BRAC mandates. These cuts clearly de-funded and de-emphasized nuclear matters. Cuts that were not the Air Force's preferred choice have taken a toll, and those budgets cuts must be acknowledged and corrected by this and future secretaries if we are truly going to address shortfalls in nuclear surety matters. I know that first-hand, as even I have had to request funding additions to cover documented shortfalls in the Minuteman III modernization program.

So in conclusion, Mr. Speaker, I want to thank General Michael Moseley, as well as Secretary Michael Wynne, for their dedicated public service to our Nation and our fighting men and women. From where I sit as a member of the Armed Services Committee, I believe that both these Air Force leaders can hold their heads high. I believe they are both men of great personal integrity, and I wish them well in their future endeavors.

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

(Mr. BURGESS 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 Florida (Mr. WELDON) is recognized for 5 minutes.

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

THE NEW MANHATTAN PROJECT FOR ENERGY INDEPENDENCE

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

Mr. FORBES. Mr. Speaker, in 1961 President John F. Kennedy laid out a bold challenge, to put a man on the moon in less than 10 years. At the time, people called it unreasonable and absurd to put a man where no human had stepped before, using technology that hadn't even been developed yet, and to do it in less than 10 years seemed impossible.

But what we saw come out of that decade was a Nation that continued to defy the odds and achieve the seemingly impossible. When Neil Armstrong opened the door of Apollo 11 and set foot on the surface of the moon, he embodied the very essence of America, combining our hopes, our dreams and our determination. Americans rose to the challenge and changed the course of history.

Today we face a new challenge. The national average for a gallon of gasoline is now $4.07. Gas prices have risen nearly 75 percent since the Democratic majority took control just a year and a half ago. And this isn't a coincidence.

The majority's policy since taking power has been to restrict domestic energy production and increase taxes and regulations on U.S. energy suppliers. Simple economics tells us that limiting the supply of oil will increase costs. At a time when families in my district and across the country are struggling every day to cope with skyrocketing prices and a slowing economy, this is outrageous and irresponsible.

We continue to get the bulk of our energy fossil fuels, and 60 percent of that comes from foreign nations that, in many cases, do not share our interests. This is not just an economic problem. It's a national security crisis that demands both short and long-term solutions. We must increase our oil supply in the short-term, but we must also launch a national effort to harness American innovation if we hope to succeed in the long-term.

Like the first Manhattan Project that was established to insure the security of our Nation during World War II, today our national security depends on our ability to produce reliable sources of energy to fuel our economy and our national defense, independent from other nations.

That's why I've introduced a bold new initiative that will put us on the path to energy independence. The New Manhattan Project for Energy Independence, H.R. 6260, challenges the United States to achieve 50 percent energy independence in 10 years, and 100 percent energy independence in 20 years tape, and establishes a commission to lay out a plan to get there. A lot of people had talked about it, but it was time to put forth a bill and do something about it. That's what H.R. 6260 does.

Additionally, the bill sets out seven major goals that will put our Nation on this path. The New Manhattan Project will bring together the best and brightest minds in our Nation and encourage American innovation by awarding major cash prizes to anyone who successfully reaches one of these goals.

Specifically, Americans will be challenged to develop ways to double CAFE standards to 70 miles per hour, while making these vehicles affordable to consumers; improve home and energy efficiency by 50 percent on a wide scale, develop a solar power plant that costs no more than a coal-consuming power plant; make the production and use of biofuels cost-competitive with standard gasoline fuel; safely and cheaply store carbon emissions from coal-powered plants; safely store neutralized nuclear waste; and lastly, to produce sustainable electricity from a nuclear fusion reaction.

The processes to reach these goals are neither simple nor cheap, and many Americans may think them impossible. To make it possible for the inventor, researcher or company that achieves any of these goals, my proposal would provide significant cash prizes to the first person who reaches each of these goals. And to assist those who have promising ideas in these areas to help our country achieve energy independence, $10 billion will be set aside for grants to fund promising lines of research. In total, this bill would supply the same level of resources on the same scale as the original Manhattan Project, which is a total of $24 billion.

It is, in fact, possible that even after the major investments proposed in this bill, we may not be 100 percent energy

independent. But even if one of these goals is achieved, the impact would literally transform the energy sector. And if every one of these ambitious goals is reached, our country would be free from our addiction to foreign oil, and we will have guaranteed our economic and national security tape for future generations.

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

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

PETITION TO LOWER GASOLINE PRICES

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

Mr. WESTMORELAND. Mr. Speaker, I appreciate the opportunity to be here tonight to address you and the other Members of this body. And I wanted to bring to the attention, Mr. Speaker, the fact that I guess several weeks ago we had calls from constituents and seeing constituents at town hall meetings and other places. They had asked me if I had been on-line or on the Internet to sign some of the petitions that different people had up to bring down the price of gas. They were tired of going to the pump and paying $4 a gallon for the gas.

They had heard the promises from the Majority of the 110th Congress made back when they were running for office, that they had a commonsense plan to bring down the cost of skyrocketing gas which, at the time, was about $2.20. It's now about $4.08. So they were mystified as much as I was about what this secret plan was. And so they were going on-line and signing these Internet petitions asking us or letting us know, Members of this body, that they were demanding that gas prices come down, and by doing that, to drill here and to drill now.

One of those Internet sites, and there's many, but one is American Solutions. And I understand today, from reading an article, that over a million Americans have gone to that site and said, you know what? Let's drill here, let's drill now, and let's lower gas prices.

And so I was thinking to myself because I had gone into a service station to fill up with the $4 a gallon gas in my pickup truck, and there was a petition laying on the counter that said, you know, we want our gas prices brought down. Sign this petition.

And I thought, you know, not only is this an Internet, but people that are working at these service stations and I'm sure other places are having these petitions saying, you know, we need our energy costs brought down.

And Mr. Speaker, I said, you know, the American people need to know how their Members of Congress feel. We're hearing from them on all of these different petitions how they feel. They need to know how their representative feels.

So I came up with a petition. And basically, this petition says, American energy solutions for lower gas prices. And it brings onshore oil on-line. It brings deep water oil on-line. And it brings new refineries on-line. And that's pretty simple. That's about as simple as you can get in this body.

Everything we vote on here is so convoluted that many of the Members don't understand what they're voting on, Mr. Speaker. And a majority of the American people do not know. Some of these bills are three and four and 500 pages. And it's hard to consume all that information and understand what is going on. So a lot of Members can have an excuse to vote for or against it because, as Mr. OBEY said today on the floor, they make these bills to get 218 votes. So they take these bills and put as many sweeteners in it as they need to to get to 218. So many Members can say, well, it was a bad piece of legislation, but because they put X, Y, or Z in it, I voted for it.

I wanted to keep this petition as simple as possible. And so basically, what the petition says, I will vote to increase U.S. oil production, to lower gas prices for Americans. How much simpler can you get?

Mr. Speaker, you can't imagine some of the answers from the Members of this body for not wanting to sign this. They're unbelievable. I don't know how they're going to explain it to their constituents, but their constituents have an opportunity to see, and we update this, Mr. Speaker, on our Web site, which is house.gov/westmoreland, W-E-S-T-M-O-R-E-L-A-N-D. We update it after every series of votes, so it will be updated probably in about 30 or 45 minutes. It will be updated and you can go to that Web site. And we had 32,000 hits on that Web site last night, for people wanting to go and see how their congressman felt about it.

Now, we've had about 160 Congressmen that have signed this so far, so we're probably about 58 short of getting to 218, which is what you need to pass this.

So, Mr. Speaker, I would encourage all Americans to go to that and to find out how the Members of this House feel about lowering gas prices in this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to direct their comments to the Chair.

□ 2100

GAO'S GOOD DECISION FOR WARFIGHTERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. INSLEE. Mr. Speaker, we come to the floor this evening to discuss this good news that we read yesterday for our warfighters doing great jobs for the U.S. Air Force and for the taxpayers who are providing the equipment for the Air Force and for a lot of working families in the United States. And that was the decision by the General Accountability Office to essentially allow the protests against the previous proposed decision by the United States Air Force to send a contract for the construction of 80 tankers which refuel our Air Force planes essentially overseas to a combination that is largely European by the Airbus Company.

And we are extremely gratified and vindicated that the General Accountability Office has found that in seven very fundamental ways, the decision by the Air Force to send this American tanker using American taxpayer dollars for American warriors essentially overseas, and they have found that this was a decision that violated some general principles of procurement in issuing contracts using taxpayer dollars. In a very forceful and powerful and unambiguous decision, the General Accountability Office, we call it the GAO up here, concluded that this purported decision to send this contract away was a bad decision, bottom line. And this decision must be reviewed and we hope ultimately reversed.

So we've come to the floor tonight to talk about why that decision was appropriate, why it is welcome, and why we hope the Air Force will move forward working with the bidders on this contract to really reach a decision that's going to be in the best interest of the country as a whole, including our warfighters and our taxpayers and our working families.

And just if I can by way just as a matter of background, this is a contract for eventually 179 what are called KC–X aircraft. The first tranche would be 80 aircraft. These are the tankers that refuel our airplanes, and they are obviously the backbone of our Air Force. Without tankers, we don't have an Air Force. This is perhaps the most critical of the one type of airplane we have because this type of airplane has to be right for the job, competent, survivable, cost-effective, or we don't have an Air Force that requires this refueling capacity.

Now, the contractor that we'll talk about tonight, the Boeing Company, has been essentially the exclusive suppliers of these tankers for the United States Air Force for five decades and with incredible success. The KC–135 has been an enormously successful airplane, and the Boeing family of workers that have provided it have been proud to provide that background. And they were, of course, a bidder to provide the Boeing 767 as the platform, a very well-respected workhorse airplane that is converted for tanker purposes.

And this bid was originally rejected by the Air Force and given to a consortium involving Airbus, and it is that decision that the GAO has found was illegal essentially and violated procurement policies.

Now, the GAO, they're sort of a neutral referee, if you will. They don't have any dog in this fight. They reviewed this decision with intimate care and concluded in seven ways, which we will talk about tonight, this decision was grievously flawed and has to be revisited. So we felt vindicated by that decision because we had been arguing on this floor for a couple months now that that decision was grievously wrong.

I'm joined tonight by at least two Members, PHIL HARE of Illinois and NANCY BOYDA of Kansas. And I would like to start by yielding to PHIL HARE of Illinois about his observations about how we need to restore this American plane to an American manufacturer to take care of American warfighters.

Mr. HARE. Mr. Speaker, yesterday was a victory for the American people. On Wednesday, the Government Accountability Office ruled that the Air Force broke its own contracting rules when it awarded a multi-billion dollar tanker contract to the Northrop Grumman Airbus team and recommended that the Air Force reopen the competitive bidding process. The GAO said the Air Force made ''a number of significant errors that could have affected the outcome of what was a close competition between Boeing and Northrop Grumman.''

Let me just touch on some of the main points of the GAO ruling.

The Air Force did not assess the relative merits of the tanker proposals in accordance with the criteria that the Air Force established. The Air Force awarded Northrop's bigger tanker extra credit even though no consideration was supposed to have been given for exceeding key performance objectives. The record did not indicate, as the Air Force claimed, that the Northrop tanker could refuel all current Air Force fixed-wing aircraft.

The Air Force conducted ''misleading and unequal decisions'' with Boeing by informing Boeing that it fully satisfied a key performance objective but later determined that Boeing had only partially met this objective.

The Air Force unreasonably favored Northrop after the company refused to agree to help set up maintenance depots within two years of the first airplane delivery, and the Air Force miscalculated the life-cycle costs of Boeing's tanker and incorrectly concluded that the Northrop tanker would have lowered costs.

The Air Force improperly increased Boeing's estimated nonrecurring engineering costs in accounting for program risk.

The GAO found seven major flaws in this election process, Mr. Speaker. Not one or two, but seven.

Mr. Speaker, most were doubtful that the decision would be overturned. Experts said it was highly unlikely that the GAO would uphold Boeing's protest because the GAO rarely sides with the protesting company. But fortunately for the American people, the GAO saw what Boeing had been saying all along: the competition was unfair and fundamentally flawed.

The GAO ruling leaves the Air Force with only one option: recompete the bid. Now, the Air Force has the opportunity to conduct a fair and open competition. And I strongly encourage them to consider an American company. Our economic and national security depends on it.

Mr. Speaker, while the GAO ruling in favor of Boeing is welcome, the GAO ruling does not address the broader economic and national security concerns raised by the tanker decision. The first, jobs, jobs, jobs.

Over the last 5 months, a record number of jobs had been lost, most of them from the manufacturing sector. In May, the unemployment rate made a 22-year high jump, reaching its highest level in more than 3½ years. But Air Force officials stated that employment effects were not considered in awarding the contract. And as a result, tens of thousands of good, high-paying jobs will be created in Europe.

Mr. INSLEE. Will the gentleman yield for a moment?

Mr. HARE. I will be happy to.

Mr. INSLEE. I think you seized on a very important point. This was not a decision by the GAO that they're just going to change this decision because they decided to favor American jobs. Now, we think that's a really important point, but the really fundamental aspects of GAO is they concluded the rules were violated in making the decision of what the best airplane for the money was. They did not take into consideration American jobs. We essentially—the Boeing family sort of won this on the merits of the airplane without any sort of special consideration that we were the hometown team, and I think that's a really important point, and I appreciate you making that.

Mr. HARE. I'm happy to.

And let me say, Mr. Speaker, I refer my colleagues to an article titled ''Bailing Out On America'' out of the EPI Briefing Paper. It is a job analysis report on the tanker decision from the nonprofit, nonpartisan think tank, The Economic Institute.

The report titled ''Bailing Out On America. Air Force tanker decision will ground at least 14,000 U.S. jobs,'' found that Boeing recreated at least twice as many U.S. jobs as the Northrop Grumman European Airbus team. According to the EPI report, Airbus Northrop exaggerates its own job claims. Equally important, the report states that U.S. job losses are likely to grow in the future if the contract is awarded to EADS because it will give the company sizable cost advantages and will lug up the future competitions to supply tankers to the Air Force.

Mr. Speaker, at a time when America is facing a recession, creating jobs in Europe is not in the best interest of the American people. We owe it to the American people to take advantage of the opportunity to create jobs right here in the United States and resuscitate our failing economy.

Several other issues remain outstanding not addressed in the GAO which includes a pending case before the World Trade Organization against EAD, the parent of Airbus, for accepting illegal subsidies, a violation of international trade laws. This and other issues must be addressed before the tanker program can move forward.

And let me just, if I could, my friend, just conclude by saying a couple of things.

We're fighting two wars here. We just got through passing billions of dollars to fund them. Not too long ago, the guidance system for bombs, I don't exactly know the exact part that was manufactured in India, was shipped off to be manufactured in China. That work is gone. National defense is a risk, in my opinion, and those jobs aren't coming back; and now we have a company who wants to build tankers outside of this Nation not knowing if tomorrow this company or this country that we seek to have this plane made by is going to remain friends with the United States.

I was on a talk show program and was amazed at the number of calls that I got from people saying, What are they thinking out there? How could they outsource national defense items to be manufactured by somebody other than the United States when we're at war? I have an arsenal in my district that made the Up-Armored Humvee doors that saved hundreds of lives, and I have to tell you, it makes no sense.

All we asked for was a fair shake for Boeing. The GAO report, I think, will give Boeing the opportunity to compete on what is fair. I commend the GAO for doing this, but let me be clear. We have an obligation to protect this country when we're at war, and the products that we produce to protect our men and women and to fight and sustain this war, whenever possible, ought to be made in this country and ought to be made by American workers.

And I thank my friends for inviting me this evening.

Mr. INSLEE. I appreciate the comments. Again, the GAO decision was not based on job creation or job loss, but we, of course, think that's an important value. And this isn't just those of us who are from the Boeing kind of country who feel this. A study by the Economic Policy Institute studied the proposals of Boeing in the competing European Airbus and concluded that the Boeing project would create twice as many jobs, 14,000 more jobs in this country than the other.

Now, we've seen a lot of these fancy ads by the Airbus contractors suggesting that it's an American airplane. But you can't have an airplane take off to Luce, France, as wonderful as that

country is, land it here and slap an American decal on it and make it an American airplane. And the EPI study, I think, is the most dispositive in showing that 14,000 additional jobs were at stake in this decision.

But again, Boeing wanted to win this on the merits on what's the best airplane. And that's what's so impressive about the GAO study that for seven, not just one sort of technical violation, not two technical violations, they concluded that this decision violated this sort of seven deadly sins of procurement policy. And every single one of them went against Boeing contrary to the law.

So this was a very powerful decision. I was going to use the word ''slam dunk,'' but I'm not sure that's a legal term of art. But that's what it was. This was not some sort of just minor technical decision.

I would like to now yield to NANCY BOYDA of Kansas who I appreciate joining us this evening.

Mrs. BOYDA of Kansas. Thank you very much, Mr. INSLEE. I appreciate being able to join this group.

And it is a good day. I think it's a very good day for America. I know that it was a good day for Kansans when we got the news that the GAO report upheld the protest. There were certainly sighs of relief.

Let me make it clear what we're relieved about. First and foremost, we're relieved about our own national security, and that's what everybody has ultimately been most concerned about. Outsourcing our national security, outsourcing our technology, we all know that it's very hard to keep secrets, to make sure that that intelligence stays in our own hands.

So number one, the people of Kansas were very, very happy that our national security today would be stronger tomorrow because we did not outsource this important contract. It's a huge, huge contract and obviously the implications for our country are tremendous.

When we look right now at the industrial base and we wonder sometimes why we're not getting enough equipment and why it has taken us so long to get equipment to Iraq and Afghanistan, our own industrial base is right here in America, and we need to keep it strong.

□ 2115

So, again, there was rejoicing in the streets of Kansas.

Let me make it clear, the first reason was for our national security, and keeping that technology here with that intelligence right here at home.

Mr. INSLEE. You used the word ''strong,'' and I think that's very important here, because the Boeing airplane, the Boeing 767 was found by the Air Force's own evaluation to have five times as many survivability discriminators as the Airbus plane. Now, that's a fancy term to mean it had five times as many characteristics that would allow the plane and its pilots and its crew to survive and complete its mission.

It is a stronger airplane from the sense of survivability. You used that term, and I just want to use a quote by former United States Air Force Chief of Staff and Retired General Ronald Fogelman who stressed survivability as an asset of the Boeing plane. He said, ''When I saw the Air Force's assessment of both candidate aircraft in the survivability area, I was struck by the fact that they clearly saw the KC–767 as a more survivable tanker.'' This was a statement to the ARSAG in his role that he was serving in as a consultant of Boeing. He said, ''To be survivable, tanker aircraft must contain systems to identify and defeat threats, provide improved situational awareness to the aircrew to avoid threat areas, and protect the crew in event of attack. The KC–767 has a superior survivability rating and will have greater operational utility to the joint commander and provide better protection to aircrews that must face real-world threats.''

Now, this just isn't Boeing talk. This is the Air Force's own conclusions that the ''discriminators''—it's a fancy word used in this business—that Boeing included more robust surface-to-air missile defense systems, cockpit displays that improve situational awareness, better electromagnetic pulse hardening, automatic route planning and rerouting, better armor protection features for the flight crew and critical aircraft systems, and better fuel tank explosion protection features.

The Boeing 767, according to the Air Force's own evaluation, concluded that Mrs. BOYDA's comment that this is a stronger airplane is correct.

Mrs. BOYDA of Kansas. I think what the American people are learning is that Boeing has been in the tanker business for decades. You know, 50, 60 years, they have been the supplier of these tankers, and can you imagine what these tankers do. These tankers are refueling aircraft that are speeding across our skies. They're refueling them in midair. This technology is something that clearly has taken years to develop. It's been done extremely well and extremely safely right in Kansas in our Forbes Field in Topeka, Kansas, where we have the KC–135E model.

We just retired the oldest KC–135E tanker in the country. It was 51 years old, and quite honestly, with maintenance, it could have been maintained. It was time to put it to rest, to take it down to the bone yard. It had done its duty and it served its country very well. But that Boeing tanker has been out there making sure that our country is safe for the last 51 years, and that's what they brought to this.

The fact that it has the safety and the survivability should not be any real shock to anyone. They have perfected this technology. They have embraced this technology, and they've provided this technology to our Air Force and to our entire military for the last 50, 60 years. And clearly, they had a lot to offer, just the fact they've had this much experience.

So the survivability, you know, it's nice to see that there's data and the analysis shows that, but they've been doing this for decades. It's no big shock that the product that they were going to deliver was something that the United States can be more assured that it will be done on time and with the quality that's suitable for our military that are putting their lives on the line when they're up in the sky, doing this incredibly dangerous midair refueling.

I also say, too, I have the honor of representing two Army bases: Fort Leavenworth and Fort Riley. I represent the headquarters of the National Guard there in Topeka, Kansas, which is where Forbes Field is. We have an Army and Air Force unit that are there, and then we have McConnell Air Force Base in Wichita.

But what I hear from a lot of our military is just the statement that when you're behind something, when you're out there, whether you're in the Army, whether you're in the Air Force, whatever branch, that when you're picking up something, whether it's munition, whatever you're in, the fact that that's made in America means something to them. They want to know that what they're using to defend the country and to keep themselves safe, it means something. And I've heard from people that it's very unsettling to pick up something and to think that our military equipment or military goods are not made here in the United States.

Clearly, if our Air Force had chosen Airbus, they would have gone out and done whatever it took to keep our country safe, but I've heard over and over again they'd like to be out there using American-made equipment, and it doesn't seem like too much to ask.

Mr. INSLEE. Maybe the question is why not the best, and in this case, the Air Force's own conclusion is the strongest, most survivable airplane essentially is the Boeing 767. So I appreciate this comment about strength from Kansas.

Now, I want to turn to my friend EARL BLUMENAUER from Oregon who's been a leader on a number of high-tech issues. I don't know if Mr. BLUMENAUER wants to address the fuel efficiency issues or other matters, but I'd appreciate his comments.

Mr. BLUMENAUER. Thank you, Congressman INSLEE. It's a pleasure to join with my colleagues from Illinois and Kansas for this conversation this evening.

This is serious business, and in a time when energy impacts are devastating our airline industry and when there is no part of the costs for the Air Force going up faster than fuel efficiency, I think we could spend the rest of the evening talking about the relative merits there and the advantage that this means in terms of operation and in terms of budget.

But I really wanted, if I could, just to circle back here for a moment because

I appreciate the focus that we're hearing from my colleagues about the merits of the issue.

Now, I come from a little sliver of the northwest. We're not the epicenter of that, but there's 1,000 high paying, family wage jobs just in my little district that are involved with this and is going to make a difference. But candidly, the way that the other proposal was structured, there would be a little residual benefit. It was sort of politically engineered, and there was a little bit, not nearly as much as the Boeing proposal, and Congress can and should consider that. It has huge impacts in some parts of the northwest, in the Midwest, and it has ripple effects throughout the economy.

And at the end of the day, this is something I think policy-makers have an obligation to be aware of and comment, and I appreciate my friend from Illinois talking about pending disputes with the WTO. There are serious allegations about unjustified subsidy for Airbus that really do need to be resolved, because we are in an anomalous situation where if we rush ahead with this and grant the award, perhaps on a basis that wasn't justified, we could end up further undermining the position of American industry by somebody who's not playing by the rules and further undercut us, which is something that, going back to the drawing table, allowing that challenge to work its way out, I think has great merit.

But I appreciate what my colleague from Kansas was talking about in terms of the end of the day we're talking about a critical component of our defense establishment. And while there's lots of complaints, and some that I think are merited that we need to review our military approach to make sure that we're not spending too much money fighting the Cold War, clearly there is no argument, no argument that we can afford to not have a robust and effective exercise of our air power, and the air refueling is essential to warfare today, things that are going on today and are going to go on tomorrow.

And when we're looking at a strategic, critical component of our ability to supply our troops, that is already averaging almost half a century, and before anybody could move forward it will pass that critical 50-year mark, this raises I think to a critical level.

And I hope that every single Member of Congress in the House and the Senate takes the time to review this GAO report because I think it's going to raise serious questions in their mind, as it did with GAO. We want to make sure that that evaluation is done in the most cost-effective manner—big questions about whether the bid does that—and we want to make sure we are treating, given the troubled history of this project—and some of us, Congressman INSLEE, we've been around a little bit. We've watched the bumpy ride to get to this point. This has got to be done letter perfect. We can't afford to have any questions or errors. And boy, any objective reasoning suggests that what we've heard, the way the Air Force handled it doesn't meet the bill.

Mr. INSLEE. I really appreciate again reiterating that we want this decision to be made on the merits, and one of those merits I want to point out just that I find incredible about this decision—and that's why I'm so happy about the GAO decision—is the recognition that the Air Force totally failed to consider accurately the lifecycle costs of these two proposals.

Now, obviously there's the up-front costs, but to the taxpayer, it's the lifecycle cost or the whole cost of maintaining and operating and parking the airplane that you really have to look at. And according to the GAO and the United States Air Force, they made a mistake in evaluating what the lifecycle costs were.

Just reading from a Reuters article June 12—it was a few days later confirmed by GAO—the U.S. Air Force has conceded that Boeing Company's proposed KC–767 refueling tanker would cost less over time than what was then the winning plane by Airbus.

And this is what the taxpayer has at stake in this thing, and this comes—we need to get down in the weeds a little bit—by the failure to take into consideration several things accurately. Number one, the Boeing airplane uses 24 percent less fuel. It's 24 percent more efficient. So you save, it's about somewhere between—I'm looking for my number here—according to a pretty good study, over the 40-year operational life, the Boeing plane would save $30 billion in projected fuel costs, $30 billion.

I'd like to yield to Mr. BLUMENAUER for a comment.

Mr. BLUMENAUER. I appreciate you zeroing in on this, Congressman INSLEE, because you, as much as anybody in Congress, have been spending the time looking at the consequences of our current use of energy. I think the evidence is not only in terms of the percentage that you referenced, almost a quarter less over a 40-year period, the evidence would suggest that the trend line for energy costs are likely to be understated.

Who would have thought, frankly, 6 months ago that we'd be bumping up against $140 a barrel oil and with the likelihood that it could go to $200 before it gets down below $100?

□ 2130

So the costs are magnified over time.

And given the fact that these planes have actually stayed in service far beyond their design life, that that is further—what if these are going to be operational for another 50 years? I think that projection just pales; it makes it all the more important that we do that.

I appreciate your focus. And I appreciate having a chance to join you in this discussion.

Mr. INSLEE. And by the way, there seems to be no doubt, these statistics we're giving are essentially inarguable. Airbus is not contesting the fact that the Boeing airplane is 24 percent more fuel. This is just fact. The GAO find that this is, I believe, one of the reasons of life cycle cost.

And by the way, it's just not fuel. Because the Airbus plane is so gargantuan, it's going to cost taxpayers an additional $2 billion in military construction to rebuild the hangers to hang them in and places to park the things. It will also cost $13 billion in additional manpower over the life cycle. So there are numerous reasons why the Boeing plane is a better deal for the taxpayers.

Mr. HARE. Will the gentleman yield? You know, you just mentioned $13 billion. We've tried now on two occasions to insure 10 million children for $6 billion. So if you take a look at the cost overrun just on the hangers and you look at the amount of money that we're spending—I think what's really important to also note here is the GAO rarely does this. Normally, the expectation would be that they were going to go with what they had. And when you read this report, and as my friend from Oregon said—and I hope that every Member of this Chamber will read it because I think it's critical if you're going to make an informed decision on this—if you read this, you will see that, indeed, Boeing didn't have a chance to compete fairly, you had tremendous cost overruns into the billions of dollars, you have thousands of American jobs. But again, I go back to my friend and say, this is a Nation at war fighting two wars, and we cannot allow the outsourcing.

My friend from Kansas mentions with great pride that she has bases, and these soldiers need and expect the best equipment, and Boeing can give that to them. But most importantly in this whole process is the whole question of fairness. We said this before. When I met with the Boeing people, they said, look, we don't want favoritism here, we just want some fairness brought into this process so we can compete. You can't complete when you change rules in the middle of the game. I liken this, and I was telling one of the Boeing people, it's like tying somebody's hands behind their back, putting a blindfold on, and fighting for the Heavyweight Championship of the world, you're at a slight disadvantage. And that's what happened in this report.

So I'm pleased. And I really appreciate my friend from the State of Washington for inviting me to be here tonight to talk about this because this is critical, this is critical for our national defense, it's critical for our jobs. And as you said, when you think of the billions of dollars that we're going to be wasting on this project that we could save, that we could be spending on other things, it really just makes a whole lot of sense. So again, I yield back and thank you very much.

Mr. INSLEE. Well, I appreciate that. And just so people know who may be

listening to this—and maybe even a couple of our colleagues, you never know, it's a slow night—I'll just read finding number six by the GAO. And they said, ''The Air Force's evaluation of military construction costs in calculating the offerer's most probable life cycle cost for their proposed aircraft was unreasonable. When the agency, during the protest, conceded that it made a number of errors in evaluation that, when corrected, resulted in Boeing displacing Northrop Grumman as the offerer with the lowest, most probable life cycle cost, the GAO concluded, and ultimately after they fixed their mistakes, concluded that the Boeing airplane is a better deal for the American taxpayer.'' Now, to me, if you've got a stronger airplane and a better deal for the American taxpayer, and peripherally, but not unimportantly, 14,000, at least, more jobs in America, this ought to be a slam-dunk decision. We hope that it will be, ultimately.

I will yield to Mrs. BOYDA.

Mrs. BOYDA of Kansas. I was just thinking, I think the American people are beginning to understand by now that specifications for this tanker, this refueling aircraft that is so important to us, there were some specifications that were given, this is what we want. And all of a sudden, here they come with this great big airplane, and now they want to be congratulated for not coloring in the lines, for not doing what they were asked to do. It kind of reminds you of a teacher that says you can write a paper, but it can only be 10 pages, and somebody wants extra credit for writing 13. Well, it was a 10-page paper assignment not a 13-page paper assignment.

So it's interesting that it has taken this long for the Air Force to understand that it was going to take this much more money to take this big tanker—it wasn't what the Air Force had asked for. The Air Force had asked for a tanker of the proportions and the specifications, and that's what Boeing did. They said, this is what you want. By the way, we've done this for the last 50 years, so we understand why you're asking for this. And they went about putting together a tanker that was the best deal with the very best equipment for the American people and for our military. And they did what they were asked to do. And all of a sudden, then all of this kind of bizarre math, this fuzzy math starts to come out, and some way or another it's going to be cheaper. It just never made any sense.

And let me finish by saying, I really applaud the GAO. I think many of us thought, well, it's going to be difficult for them to overturn that. But they sharpened up their pencils and they said, well, no, this doesn't make any sense. And so we've got to applaud the GAO for standing up and saying this is the right thing to do.

Mr. HARE. Well, I think the gentlelady from Kansas brings up a great point. Here's a company that's been manufacturing this for 50 years. So they're not the new kid on the block, they've been there and they've done that. And every time they've produced it, they've produced it with quality. And you don't have the WTO looking at them and all kinds of different things.

The bottom line here is this is a great product. And giving the opportunity for this company to be able to compete on a level playing field, that's all they were asking for, and now they're going to get the opportunity to do so. And I think at the end of the day, when that happens, I think the taxpayers will benefit, I think the American people will benefit, I think our troops will benefit. And, you know, as my friend said, when you start talking, as the late Senator Dirksen said, a billion here and a billion there, pretty soon you're talking about a lot of money.

So again, I thank the gentlelady for yielding, and I yield back.

Mr. INSLEE. And just to back up what Mrs. BOYDA said, she's not just whistling Dixie—or Kansas in this case—she has backed up what the GAO said. They said specifically, in finding number four of seven deadly sins, they said, ''The Air Force conducted misleading and unequal discussions with Boeing by informing Boeing that it had fully satisfied a key performance parameter objective relating to operational utility, but later determined that Boeing had only partially met this objective. And then there's a bunch of other language that's pretty technical.

But what happened here is, for some reason that I don't know for sure—I have some suspicions of what happened here, and that doesn't really matter—but for some reason the Air Force decided bigger was better. And they went and in their original decision opted for a bigger airplane and violated, in several different ways, the procurement rules in order to reach that conclusion.

Now, we've said that the Air Force has already recognized that their life cycle cost decisions were in error. But we really hope in this rebidding that they will not be persuaded that bigger is always better. And what we have found, and some of the things we've talked about tonight, why bigger is not better, it's actually worse in this particular case because when you build a plane that's that much bigger, that exceeds your real requirements, you end up spending a quarter more fuel and you end up spending $2 billion on construction costs.

And here's something that I think is important. The Airbus airplane can only use half as many airfields around the world as the Boeing 767. Now, you think of all the places we can end up in a military conflict around the world and all the relatively little airports that we may want to get involved in, I mean, who knew we were going to be flying from airports in Iraq 20 years ago when we made some procurement decisions? We have to be ready to fly these airplanes anywhere in the world. Yet the Airbus decision, if you buy this larger airplane, it can only use—I think it's either 200 or 400 airports that the Boeing plane can use that the Airbus plane cannot. I think that's really important, and one of the disadvantages of size. Plus, if you look at the requirements, the Boeing airplane fulfills the requirements that they asked for on how much capacity they had to have for refueling, Boeing met it.

So that's one of the things that Mrs. BOYDA was alluding to that GAO said, just because you do more than the requirement, it doesn't do you any good. Why give extra bonus points to something that just costs more money and eliminates half the airports in the world where you can land? That doesn't make sense. And I think that was one of the reasons that GAO decided.

And I yield to Mrs. BOYDA.

Mrs. BOYDA of Kansas. And as I understood it, too, one of the GAO findings was that the Airbus tanker wouldn't refuel all types of aircraft, too. So you had something that certainly was bigger. But what was found out was that bigger wasn't better in this particular instance; you needed longer runways to be able to land them. And so that limited the number of places.

But this Airbus tanker also wasn't even able to refuel as many different kinds of aircraft as the Boeing aircraft. And I will go right back on message of saying, I wonder why. Well, Boeing has been doing this for 50, 60 years, and they knew what they were doing. And so they understand the intricacies of what needs to be done and why you need to be flexible, and that flexible is finding that optimum way to do this. And the KC135Es were replaced by the Rs. They've been doing this and making these tankers and optimizing the whole process of making these tankers for decades.

Mr. INSLEE. And as a result of this decision that has now been reversed, thankfully—at least by the GAO, they're calling for a reversal—what really happened is that the original decision, the Air Force decided to buy excess capacity that was not needed and gave up a capacity that was needed, which was refueling all our types of aircraft. And the GAO concluded—this isn't just Boeing talking, it's the GAO concluded—that the Airbus cannot refuel some of the airplanes we have in stock right now.

So you sort of paid more money for more life cycle cost for the Airbus airplane, you bought capacity you did not need, and you gave up the one thing you do need, which is to be able to refuel every kind of airplane. What are we supposed to tell the pilots of the Tilt-Rotor aircraft; sorry, you don't get to fuel? We've made a procurement decision that, you know, you'll just have to take the long way around? It was a serious, serious misjudgment because they concluded, for reasons that

escape me, frankly, why bigger is better. And I think that's really the fundamental decision that was made in that regard.

I would like to, if I can, talk about something else that is important that was not in the GAO decision that I do think bears on this, and I think we, as Members of Congress, have a responsibility to look at, and that is this issue of whether or not it should be Federal policy to reward countries and companies that are violating international law on our trade agreements.

Right now, the United States Government has concluded that the Airbus company has been the recipient of billions of dollars of illegal subsidies, illegal subsidies from the governments in Europe, and has concluded with such force that the United States Government, the U.S. Trade Representative, has filed a claim, a lawsuit of sorts, against Airbus because of these illegal subsidies. So the United States Government has determined that this contractor has received illegal subsidies violative of international and consequentially United States law. But then what did the other agency of the U.S. government turn around and do—or tried to do before the GAO blew the whistle? They turned around and tried to give a $40 billion contract to the very company that's violating the trade laws. Now, how does that make us look in international law if we're suing them, saying there's illegal subsidies, and we turn around and give them a $40 billion contract while taking away 14,000 jobs here away from a very well known and successful contractor, the Boeing company? It's ludicrous. Talk about the right hand not knowing what the left hand was doing here.

This is an issue that the GAO did not review and the Air Force did not review because some people in the Senate did not allow them to do that—that's a whole other story how that happened—but it seems to me that we, as Members of Congress, should stand for the enforcement of these trade laws and not reward companies and contractors who we ourselves have concluded violated the law. And I think that's an obligation on us. It's beyond the obligation of the GAO. That wasn't their job, but I think it is our job.

Mr. HARE. Will the gentleman yield?

Mr. INSLEE. Yes.

Mr. HARE. Well, I'm a new Member here, but I ran on this whole issue of trade and fair trade, as you know. And you look at this, and here is a company—and I don't mean to be picking on them this evening, but facts really are facts, so let's see if we can get this straight. Here's a company who is in violation of trade laws, who was about to receive a $40 billion contract that would have cost us thousands of jobs to build a tanker that can't land at some airports.

Mr. INSLEE. Half the airports in the world.

Mr. HARE. Half the airports, and cannot fuel the necessary planes that we might have when we go to war. Now I may not be the sharpest knife in the drawer here, and I know this has been a long day, but again, I think clearly we had a company, as my friend from Kansas says, a company that's been doing this 50, 60 years, a stellar reputation, they could have produced a smaller craft that could land where it's supposed to land, fuel what it's supposed to fuel, and not reward this corporation for violating Federal trade laws.

□ 2145

So to me, this is really a no-brainer. And I think that every Member of the House, not only should they read the report, which I think is important, but I think they should listen to what my friend said just a few minutes ago, about do we really want to get down the slope of rewarding a company with a $40 billion or $4 million or whatever the contract is when they are in violation of Federal trade laws? I don't believe that is what the people sent us here to do. We're supposed to protect this country.

This is a great day. Yesterday was a great day for the GAO report. But we have to be vigilant here. We have to keep pushing on this. And I have to tell you, as long as we're here, I think we have an obligation to hold the Air Force's feet to the fire on this. People make mistakes. But let's don't make it again, and let's don't make it again, and let's don't make it to the tune of a $40 billion contract to a company that can't produce what we really need.

Mrs. BOYDA of Kansas. I would just say when it comes to the issues, and clearly it just was nonsensical. Again I really appreciate the fact that before we're talking about these kinds of issues, we're talking about the plane on the merits. Because I think that's the main thing that the American people, they want a plane that works. So I think we have established that that was the better choice. But what just absolutely cooks people back in Kansas is the concept that we have agreements, and there is no real enforcement of them. It's just like they're not even worth the paper that they're on. And to just blow it off and to say that, yes, we're in the middle of a disagreement, we're in the middle of a trade violation with the same company, just as you were saying, I agree with you in what you have said. I would just add the one thing that in Kansas, people do not understand why we put together policies, why we pass laws right here and then we fail to follow through on implementing them or enforcing them, whether it's issues of trade. Certainly that is just a very, very raw one in my district, whether it's issues of just, I won't go in any myriad of issues that we probably ought not to start down that path tonight. But that is just what really chaps people.

We have these agreements. Why do we even bother to do them if we're not going to implement them? Not only within the letter of the law, but the spirit of the law.

And so certainly we have an enormous aircraft industry in the State of Kansas. And again I would as much as it's a huge economic impact for us, first and foremost, we have so much military in Kansas, and I would again come back and say that this was ultimately about making sure that we have what we need to keep our country safe and to keep the men and women who are serving in our military safe. That was first and foremost.

Mr. INSLEE. And in making these arguments, I don't think any of us are apologetic for the fact that our constituents and families have been very active in the Boeing Company. My uncles and cousins, I remember my best friend growing up in south Seattle, his dad had the job of breaking Boeing airplanes. And his job was to try to figure out what you had to do to break a Boeing airplane. And when you were a kid growing up, to think that your job was to get to blow up things was pretty fun.

Mr. HARE. Sounds like my son.

Mr. INSLEE. One of his coolest jobs was they would take a Boeing 727 and put a jack underneath it, and jack that wing up and see how far they could jack that wing up before it failed. And when they failed, they would literally explode because of the tension. And those things get up almost 35, 45 degrees. They have incredible flexibility as well as strength. So I grew up with Boeing as part of my blood and family, in the interest of full disclosure. But I think the arguments we're making here tonight go well beyond our sort of familial and constituent interests and duties because I think what we're portraying is a decision that it was so far out of kilter that you had the GAO now blowing the whistle on it, and the GAO is like the referee. They had an instant replay. They had it right on videotape. And they concluded this was a decision that was way, way out of bounds. And we are now hopeful that the Air Force will fully and fairly re-evaluate this. And I think that they will conclude in something that all of us Members conclude, I think tonight.

And I was counting on what Mr. HARE said, five inarguable truths about this contract. I just want to list them, that nobody can argue, everybody would agree, even our Air Force colleagues would have to admit this. Number one, the Air Force's own conclusions showed that there were more survivable discriminators to show the survivability to the Boeing airplane helping the warfighter survive and do their jobs; Number two, the life cycle costs, when you include all the costs for maintenance and reconstruction of the hangars and everything, are less expensive in the Boeing airplane than the Airbus airplane; third, that the fuel life cycle costs are going to be less for the Boeing airplane than the Airbus airplane, in the billions of dollars; and fourth, and this wasn't in the GAO report but we know it to be true, if we go with the Airbus product here, we're going to be spending $40 plus billion of

American taxpayer dollars rewarding a company that our own Federal Government has concluded is guilty of very serious violations of Federal trade rules in the billions of dollars; and fifth, and one that is maybe closest to our hearts at the moment, the Boeing airplane will have at least, and probably more than this, 14,000 families more employed doing high quality work than the competitor.

So the GAO said there were seven major errors, which is extraordinary by the way, not just one, seven major fundamental errors. We will say tonight that there were five strikes and you're out, those are the five strikes that all of us can agree on I think. So we're hopeful that the GAO is heeded, if it is not by the Air Force, we will be doing our job here in Congress, and we will be finding the right avenue in the appropriations process to not allow this decision to stand to make sure that the right decision is made.

Mrs. BOYDA of Kansas. I would like to add just one other aspect, too, that we haven't really touched on too much. I serve on the House Armed Services Committee. And earlier this year, we had a hearing with the National Industrial Security Program we started back in 1993 to take the intelligence, again, and the intellectual property and to make sure that we were keeping classified information classified when it to came to the purchase and interaction with foreign companies.

And I asked the question, did they participate, what was their participation in this whole tanker contracting process, to make sure that this classified information about these tankers was being secured. And they really weren't very involved. I said, ''Well who is going to maintain the security? Who is going to see that there are trade secrets, there are national security aspects that are being, that should be maintained?'' And during the course, they didn't say this about the Boeing contracts specifically, but their own, the assessment was that the NISP had been so underfunded and so dismantled over the last several years that they said that their services overseeing foreign military contracts, they described it as Swiss cheese. So we have to look at the big picture here tonight and just throw that in as one additional thing.

There was not any real oversight for what we're going to do to maintain that intellectual property and to maintain that security, that classified and secure information I didn't see. And I was allowed to ask in a few instances, but there was no, I didn't at least find out what we were doing in order to keep or maintain that classified information. And the people that certainly seemed to be the ones that should be doing it said, no, they really weren't up to it or they weren't doing it. So another reason on top of everything else. I certainly appreciate the gentleman from Washington including me in this discussion tonight.

Mr. INSLEE. I appreciate your contributions on this and so many other things. And I want to say that this, I think, has opened many Members of Congress' eyes to the procurement policy. There are some issues we have to think about in general going forward of our procurement policy. But this is one we have to get fixed to start with before we act holistically. I would like to yield to Mr. HARE for closing comments.

Mr. HARE. I would like to thank the gentleman from Washington and my friend from Kansas for allowing me to be here tonight to talk about an issue that is incredibly important, not just in the State of Kansas, although it is important to every State and important to this world. So as you said, and I commend my friend, Mr. INSLEE, when he said, if we have to, and this continues, there is an appropriations process. Hopefully we don't have to go down that road. But I have to tell you. I think we have a responsibility for companies that violate international trade laws. I don't think you reward them. I certainly don't think you reward them with a $30 billion contract, as I said, to build a plane too big to land and not adequate to fuel the aircraft that we need.

So once again, let me just thank you, Congressman INSLEE, for your hard work and your leadership on this. To my friend from Kansas, we will do everything we can. And you have been wonderful. And the people of your State are fortunate to have somebody who stands up not only for the service people but for the people of this country. So thank you very much.

Mr. INSLEE. And thank you Mr. HARE. Our thoughts are with your flooded constituents in Illinois. We are thinking about them tonight.

Just a closing comment, where this goes from now, the Air Force is required within 60 days to respond to this protest. They will have 60 days within which to plan their next action in this regard. We know what we would like them to do. Following that, if decisions are not made as they should be, Congress can act in a variety of ways to make sure that this decision is right. And we stand ready, willing and able to do so.

And the longer this goes on, the more our colleagues frankly understand that something was not right in this decision and needs to be reversed. So as time goes on I think we will get closer.

Let me also say in criticizing the decision by the U.S. Air Force, I hope it goes without saying, we have undying respect for the people who serve in the United States Air Force. These are decisions that are hard fought, a lot of technical issues. A decision was not made here according to Hoyle. But do you know what? We have a process of fixing these things. And at the end of the day, the U.S. Air Force is going to be something we always admire. And we are going to get them the right airplane for the job. We know what that is, and we are going to get that job done for them.

Mrs. BOYDA of Kansas. I would like to thank my good friend from Illinois (Mr. HARE). We are freshmen together. And it's at times like this that I really am glad to be part of this freshman class and add our voices together. We've worked on so many things, whether it's trade, so many issues that our districts have a lot in common. And so it's actually a pleasure to stand up and work with the good people here tonight. And I really appreciate both of you and our friend from Oregon (Mr. BLUMENAUER). So thank you again to you both.

THE HIGH PRICE OF ENERGY

The SPEAKER pro tempore (Mr. ETHERIDGE). Under the Speaker's announced policy of January 18, 2007, the gentlewoman from Minnesota (Mrs. BACHMANN) is recognized for 60 minutes as the designee of the minority leader.

Mrs. BACHMANN. Mr. Speaker, I thank you for the privilege of being able to address the House for this special order of 60 minutes. And the topic tonight will be on the topic that's on the minds of Americans all across this country. It's the high price of energy and the impact that that is having on the middle class, on families, on individuals, on farmers and on businessmen.

There is nothing that is shocking us more now, Mr. Speaker, than the high cost of energy and the impact that that is having directly on people all across the country.

When I came into Washington, D.C. this week from my home in Minnesota, I had the privilege of representing the great people in the Sixth Congressional District in Minnesota. And I was reading the newspaper. And I was reading a few things. And I just wanted to bring a couple of headlines to the attention of the American people.

Here is one of the headlines that I read this week when I came in. It was on Tuesday of this week. This headline in USA Today said ''will gas prices plateau after hitting another record?'' It seems like every morning when we wake up and the clock radio goes off next to our bed, we hear about a new increase in the price in gasoline. And we're shocked. And it's like our day already starts out on the wrong foot because we hear about yet one more shocking increase. And we wonder what will we have to give up next? What will we have to give up? What will we have to yield out of our lives? It's a lot of bad news that has been coming this way with the American people.

Let me read this. It says ''$4 plus cost cuts demand even as supply is rising.'' It began, The price of gasoline set another record Monday where the average is going up now again. And this is something that the people are worried about.

□ 2200

This is something that the people are worried about, the record prices that are going up. As a matter of fact, the price of gasoline today is $4.07 and we will talk a little bit more about that as we go on during the course of the hour that we have together to talk about this very important issue.

Here is another headline that was in USA Today, and this is Tuesday's paper again, and it says, ''Prepare to pay if you don't gas up your car rental.'' If you can believe this, rental car companies are having to charge $8 a gallon when someone who is renting a car returns it to an airport with a less than full tank. Usually we try to guess as well as we can and fill that tank up before we return it to the car rental place because we know the price at the pump for the car rental will be higher.

Well, guess what, that price is now a whooping $8 to $10 a gallon that car rental companies are forced to charge their customers now when cars are returned to the car rental company with a less-than-full tank.

These are numbers, I believe, Mr. Speaker, that none of us ever thought in our wildest dreams that we would ever imagine that we could be paying. This is a lot of bad news that the American people are having to take, along with the flooding, the terrible, terrible conditions that people in Iowa are facing right now, in Arkansas and Missouri, with all of the impact of the weather.

We hear yet more negative reports about how our crops will be impacted. In Iowa, nearly all of the counties are devastated. I was born in the State of Iowa in Waterloo, Cedar Falls, where the Cedar River came up over its banks and flooded that downtown area, displacing hundreds and thousands of people from their homes, and people from their businesses.

And Iowa, as I know from my experience, is a leading corn producer and soybean producer, and so now we see that the price of corn will also probably be going up.

Well, I didn't ask for this hour, to manage this hour just to talk about gloom and doom and the negative. The reason why I started out with these comments, Mr. Speaker, is to identify with all of the American people at home right now who are experiencing this pain, who are experiencing this suffering that they never imagined they would be experiencing with the high cost of energy.

But I am here tonight because I want to talk about the great news, and the great news is this: we are privileged to stand right now on the answer to the problem that is plaguing us, the high cost of energy. And the great news is that we have a key. We have an answer. The American people, the American middle class don't need to suffer any longer. It is unnecessary because we have a key that can be the answer to our problem. And here it is. We can get back to our goal which is $2 a gallon gasoline. This isn't fantasy, this is reality. We can once again see America paying $2 a gallon gasoline.

Are you kidding? How is that going to happen, you ask. Well, easy. This is how we can do it. We need to start to explore here in America. Because the truth be told, America does not have a famine of energy, absolutely not. Just the opposite. We are sitting on the cusp of one of the greatest industries that can be developed in this century and on into the future, one that will deliver millions of high-paying jobs for Americans all across this country. In fact, in every State in this country America could become the leading exporter of energy. You heard me right. America could be the world's leading exporter of energy and create some of the highest-paying jobs known in the world because right here in America we are standing on a veritable treasure trove of energy. So we need to start here, start in America, to access these wonderful resources and we need to do it now in order to get back to $2 a gallon gasoline. In order to be able to get off of foreign dependence on energy, we need to explore here and we need to explore now because then the American people can start to pay less, and that paying less would get us back to $2 a gallon gasoline.

You say how is that possible? How is it possible that once again we could be paying $2 a gallon gasoline? Well, just think, it took us 25 years in this country to go from $1 a gallon gasoline to $2 a gallon gasoline; 25 years to go from $1 to $2.

How long did it take us to go from $2 a gallon gasoline to $4 a gallon gasoline and even more a gallon gasoline? It took us less than 2 years to go from $2 to $4.

Well, what changed? There are a few things that came into the mix. One is the American dollar came into a weakened position. And when the American dollar became weakened, the United States unfortunately found itself very dependent on foreign sources of energy that we were dependent on.

Do you know that from 2007 to 2008 the United States has become 7 percent more dependent on the OPEC nations for our energy, going exactly in the wrong direction.

I don't know of anyone right now, Mr. Speaker, who believes that America should become more dependent on foreign oil. In fact, what I hear from my constituents is can't we get less dependent.

Absolutely. We can be less dependent on foreign oil. In fact, we can become independent of foreign oil and we can become a leading exporter of energy to the world and we can become the head, and not the tail.

Right now America is busy becoming part of the tail when it comes to energy. But we can turn this around. We can become the leading producer and exporter. Well, you ask, how is that possible? I will tell you how it is possible. Take a look at the situation we are in right now. Here is the key to our answer, and now it is up to Congress to unlock that key, unleash this energy and bring the price of gasoline back down to $2 a gallon. It is Congress that has been the bad guy in this scenario. And it is Congress that can be the hero in this scenario. Congress.

Right now Congress has made it illegal, virtually illegal to be able to access this gift of energy. How did we do that? Congress has made it illegal to access the energy that is in the Arctic energy slope up in Alaska. Do you realize that we already have the Alaskan transatlantic pipeline that was built in the mid-1970s from Prudhoe Bay and has been piping oil from Alaska down into the lower 48. That pipeline is already up in existence, and it is only half of capacity flowing. With a very little effort, we could tap into the Arctic energy slope and begin accessing that over 10 billion barrels of oil that are available to us in the Arctic energy slope.

Do you realize that if we accessed this wonderful source of energy, we will increase American energy production by 50 percent, access to American resources by 50 percent. Also, we have the Outer Continental Shelf that is available to us for deep sea energy reserves.

Now get this, if you thought 10 billion barrels was a lot, just listen, this is 86 billion barrels of oil. You heard me, 86 billion barrels that are available to us to access of deep sea energy reserves that we could tap, get up online, and we could have access to and supply the American people and American industry so that energy would become one of the cheapest costs of doing business rather than one of the most expensive.

Let me give you one little story that I heard yesterday. Northwest Airlines is based in Minneapolis, Minnesota. We are proud to have this airline in our State. As you know, airlines have come under hard times. I was told yesterday that Northwest Airlines had paid about a billion and a half dollars for fuel last year. Do you know what they had to budget this year, an additional $2 billion to pay for the price of energy.

So Northwest Airlines, instead of spending about a billion and a half on energy, will have to spend this year $3.5 billion on energy. Can you imagine, if that's your industry and that cost, you have to somehow absorb, you just can't absorb it without passing that cost on to your consumer, to your customer, who will be purchasing your product. And those are people who fly on airplanes. That is why we see the price of airline tickets have gone through the roof and why airlines have had to park planes and reduce the number of seats and reduce capacity. Don't fool yourself, America is changing, and we are changing because we don't have energy.

Not only that, we have a gift of natural gas. In the gulf coast region in the Gulf of Mexico, we have what may be

the largest reserves of natural gas, 420 trillion cubic feet of natural gas exists right here in the gulf coast region. Do you know that natural gas can be used to fire up electric power plants. With modifications to cars and buses, we could run cars and buses on natural gas. Almost the world's largest supply right here in our backyard, illegal, off-limits. And 85 percent of our Outer Continental Shelf, illegal, off-limits. The Arctic energy slope, illegal, off-limits. And also shale. Do you realize that the Saudi Arabia of oil in the United States is this wonderful ring of Colorado, Utah and Wyoming, containing 1.3 trillion, yes, you heard me right, 1.3 trillion barrels of shale oil. This is one of the most exciting finds. We have one of the world's largest supplies of shale oil right here in our backyard. But guess what, it is off-limits. We are handcuffed. We can't access it. Who made all of this off-limits?

Do you realize the United States of America is one of the only countries in the world that has made it illegal to access the answer to our problem; made it illegal to access our own energy. We have this great gift waiting for us, great job producer waiting for us. And it is the United States Congress, your representatives, which have said no, no way, we are not going to access it.

When I talk to the American people about this back home, when I talk to average Minnesotans, they look at me and they say, MICHELE, what in the world is Congress thinking? Why in the world wouldn't they allow us? Don't they want us to have $2 a gallon gas? I wonder sometimes, too.

We have the key right here, and I have other Members who are with me right now who would also like to weigh in, who are leaders on this issue, passionate about this issue, people who are speaking out and advocating for you, the American people, who want you to be able to again get up in the morning with a happy, light heart realizing you can afford to go to the gas station because you can be paying $2 a gallon gas again. You can see your grocery bills go down. You can see your consumables go down. You can see the price that you are going to be paying for air conditioning this summer and your electric bill go down. This fall in Minnesota when all the furnaces kick back in again, to be able to see your heat bill go back down, this is all to be, all possible.

We have a great story to tell tonight, so I hope that you will listen for the next few minutes, and I would like to yield to the distinguished gentleman from Iowa (Mr. KING). There is not a day that goes by that Representative STEVE KING is not here on the floor advocating for the good of the American people, to get back to paying $2 a gallon gasoline.

With that, I yield to the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. I thank the gentlelady from Minnesota, and I appreciate the opportunity to speak and be recognized here on the floor, raising the issue of energy and gas costs.

I brought a poster which I will quickly show. This is where gas prices have gone, Mr. Speaker.

□ 2215

You know, we listen to an awful lot of criticism building up to the 2006 elections of the Bush administration and the Republican majority in Congress because of high gas prices, and here is where it ended. It was at $1.49 when President Bush was sworn into office, and it went to $2.33 the day NANCY PELOSI picked up the gavel.

She is the one that said that she was going to get us cheaper gas prices. The result of that is? You can see the graph, it shoots from $2.33 up to $4.08, $4.07, won't quibble over a penny, and going on up, with no plan to do anything except drive up the energy prices.

I am one of those that will say—and we have gotten a good look at that—but I am one of those that will say that everybody in this Congress doesn't want cheaper energy prices. Some people in this Congress want higher energy prices.

I think that goes all the way up to the leadership, and I can say that because I have watched these energy bills come to the floor. Every single thing that's affected the price of energy, at least that I can recall, drove the price up, not down, shut down and blocked the drilling and the access to energy across this country, across this continent.

When I came into this Congress, I was not convinced that anybody thought that gas prices ought to be higher. Then about 6, 7 months into the beginning of this 110th Congress, this Pelosi Congress, you finally convinced me. You convinced me that you want to see a higher gas price—because it doesn't seem logical that people in my district—and they are going to wonder about the rationale of it, but I have listened to the debate too long not to say it out loud, and it's this—that there are those in this Congress in significant numbers that believe that this planet is warming, and it's our fault.

If we can raise the cost of energy, people will use less of it, including gasoline. If they use less of it and ride their bicycle more, there will be fewer greenhouse emissions, and there will be less greenhouse gas go off into the atmosphere. If there is less going into the atmosphere, somehow they are going to save the planet. Well, there are a whole lot of things wrong with that equation, the worst of them is that the countries of and China and India, the emerging industrial nations are not going to back off on coal.

They are going to burn more coal, and they are building more generating plants. Whatever we do to slow down the coal or cut down on the emissions of our greenhouse gases is going to be more than offset. You talk about carbon offsets, it's being offset in India and China a lot faster than we could possibly shut down our consumption of energy in the United States, which shuts down our economy.

The equation for people that are holding the gavels that control this policy in this Congress today is drive up the cost of energy, drive up the cost so that people will use less energy. I said when gas got to be $3, what's the solution for $3 gas? The answer, $3 gas, because the American people are going to demand that their gas be cheaper.

Now we are at $4.07 or $4.08 gas, and what's the solution for that? Well, maybe, it's $4.07 or $4.08 gas. Maybe we are going to see a $5 gas or more. Maybe we are going to see crude oil go from $139 a barrel to maybe $200 a barrel or more. The predictions are saying that.

The futures don't quite say that yet, but the speculators are heading in that direction. Why are they doing that? Because they understand there is a policy in this Congress today, as we listened to Mrs. BACHMANN talk to us about this, to drive up the price of energy. The idea that we would ride our bicycles instead of drive our cars.

They can get by with it. They can get by with it because we put the hose in our tank, the nozzle in our tank. When we squeeze that nozzle we are paying 18.4 cents a gallon in gas tax. That's Federal, a lot of the States, 20 or more cents in gas tax as well so we can support our transportation in our roads. That's a user's fee. I fully support that.

The people that squeeze the nozzle to pump the gas into their tanks in my district and across this country believe that money is going to build new roads and rebuild existing roads. That's a sad thing to say, but about one-third of that money goes to that, and the balance of that goes to other causes. Some of them are extreme causes, extreme causes, like, for example, 28 percent used for environmental and archaeological compliance, 28 percent of the 18.4 cents that you put in there for gas tax per gallon is going to comply with environmentalist ideas and to look for arrowheads out there. That's 28 percent, and 17 percent goes to subsidized mass transit.

The people that are voting for those folks that hold the gavels that have this green idea that we should drive up the cost of energy, aren't paying for the cost of that energy because they are getting on the Metro down here at South Capitol and riding over to Falls Church for $1.25, subsidized by the gas tax that's paid in Mrs. BACHMANN's district, my district, Mr. GINGREY's district in Georgia and across this country. My constituents don't know that because we haven't told them enough.

But if I went to them and say, hey, I want to take 17 percent of your gas tax and spend it on something else and subsidize somebody else's transportation, they would object. That's why their constituents, though, the intercity urban Members of this Congress are not held accountable for higher energy

prices because it's being subsidized by the gas fees that are paid by people in my district and across the country.

By the way it doesn't work for us. It is an awful long drive to get to the Metro or the ''L'' or to get to the subway or to get to the trolley car like they have in San Francisco. But that's all subsidized by the gas that we are paying that's tax on part of this $4.07 that's out there.

Now, what is the thinking that's going on in the leadership of this Congress? Well, I pulled out one little thing, green, think green. We had a green initiative, called a Green the Capitol initiative that was initiated by Speaker PELOSI when shortly after she was sworn into this Congress.

Her idea was that we should show them how to do cap and trade. We should trade-off some carbon credits.

So I got some information that came out of the House Administration Committee, it goes back to the Chief Administrative Officer of the House, Mr. Dan Beard, who at the direction of Speaker PELOSI spent $89,000 to purchase carbon credits. Well, why purchase the carbon credits at the direction of the Speaker? Because the Speaker wanted to be sure that we were a carbon-neutral capital complex.

To be carbon neutral they shelled out $89,000 of your tax dollars, Americans, $89,000 to purchase carbon credits. I didn't know you could actually go on the market and do that, but you can. It has been done. The market was the Chicago Climate Exchange, not the Chicago Board of Trade, not the Chicago Mercantile, it was the Chicago Climate Exchange, a place where you can go and buy futures, I presume, and buy puts on carbon credits.

So $89,000 went out to carbon credits, and here is where they went, brokered through the Chicago Climate Exchange, this report, through the House Administration Committee—just some of the money I have been able to track, not all of it—$14,500 went to the North Dakota Farmers Union. Now, I don't think they actually farm anything, but it went to the North Dakota Farmers Union.

I know they do support some folks on the other side of the aisle very aggressively, and that's fine, this is America. The money went, $14,500, to the Farmers Union then it was redistributed through there to some of the farmers in places in North Dakota.

Some of the farmers, reportedly, were already doing no-till, but to try to convince them, give them incentive to switch over from till to no-till. Now, I don't know what the acres actually are—25, 35 percent of the acres around my neighborhood, I believe, are no-till.

It's a good practice. I support it. I have got good, responsible, neighbors that do use it. I encourage it. But to pay somebody that is already doing no-till extra money from the taxpayers through the capital complex and the Chicago Climate Exchange, so they will go and do no-till, doesn't seem to me to accomplish a single thing except get rid of some money and allow some leadership in this Congress to posture themselves as being carbon neutral.

What a glorious thing to accomplish, carbon neutral. You have got to dig back down through the paperwork and get the House Administration staff to find this. I didn't find out about it until we dug into it. So $14,500 to North Dakota Farmers Union, another $14,500 went to my State. It went to a reengineered generating plant in Iowa, Chillicothe, Iowa, $14,500, so that they could be having an incentive to clean up their act a little bit and emit less carbon. Those carbon credits were available to them, and we sent them the $14,500.

The problem was they had shut down before the money got there. There wasn't anything accomplished out of that we can determine. I am open to more information, that's what I know today. But those are two pieces at $14,500 each. I haven't chased the rest of the money down, but it occurs to me we didn't accomplish a single thing with carbon emissions and the Chillicothe plant.

We didn't get there with any money in time. That plant is shut down, not functioning, I understand. Some of the North Dakota farmers were already doing no-till.

Well, what we did was we set up an exchange now so that we can brokering money and taking taxpayer dollars and send them around the country and the industry, and private sector will be doing the same thing.

The value of these credits were estimated by the Heritage Foundation that they would start out at about $13 and then you figure out how you calculate what a unit is, but $13 a unit. In about 10 years they will be up to about $130 a unit. As near as I can determine, there is no audit system. Nobody is going to go check those farmers in North Dakota and find out if they actually switch to no-till, stayed off no-till or went off to do something else. I guess it won't pay to check that power plant in Iowa because it's not actually producing any power either.

That's just one of the things that happens when you get this myopic idea that you are going to worship at the altar of green instead of produce the energy that this country needs.

I would just point out another thing here, here is another little piece to look at. Here is the overall energy pie. This is the energy that we consume in America. Look at the number, it's 101.4 quatrillion BTUs, all together, and that's all the kinds of energy that we use. That's gas, that's diesel fuel, and it goes on, there is coal, there is natural gas.

This is the big picture of all of the energy that we are consuming, 101.4 quatrillion BTUs of energy. Now, that's a lot of energy. These are the proportions. I call it the energy pie, and the sizes of the slices of the pie, or the pieces of the production—you can see that nuclear is over here, and it has got a nice piece of that. It needs to be a lot more. But I have got also the ring here that shows us the production pie.

This is the exact diameter of the size of our production. You can see that the circle for the size of the volume of our production in America is 72 percent of the size of our consumption in America.

So what Republicans propose to do is grow these sources of energy so that this middle circle gets as big as the outer circle and maybe bigger. If it does, that will mean that we are exporting energy.

I will submit that every phase, every kind of energy has a future in this country. It needs to compete economically, we need to get into it. As Mrs. BACHMANN said, there is no sensible reason not to tap into the energy that sits underneath us, the Outer Continental Shelf, the North Slope of Alaska. I have gone up there.

By the way, if there is any environmental damage to take place in the North Slope of Alaska and in ANWR, we had already heard about it from the other side of the aisle. They would stand up and say here is where that bucket of crude oil spilled out on the tundra, but we have not done that. Even with 1970s technology we have did so efficiently, cleanly and safely, and, yes some little things did happen. I won't deny that.

We cleaned them up. We did so effectively and safely. Our technology is a lot better. We do directional drilling now.

If we drill ANWR, that will be the equivalent, there's 19.6 million acres. Drilling in ANWR on 2,000 acres is the equivalent of a postage stamp in the corner of a football field. It's out on a coastal plain.

The pictures that you see of the pristine alpine forest are false. There is not a single tree up there. Anybody that went to eighth grade knows, the Arctic Circle is a line north of which trees can't grow. There is not a single tree up there.

Tundra reconstitutes itself. I have seen acres of it where the Eskimos showed me, we kind of tore this up by accident. We smoothed it over and 5, 6 years later it grows back green. Looks good, I have seen it.

That environment was not damaged in the North Slope. It will not be damaged in ANWR. It's built out on ice roads. We punched the holes out. Even the most extreme environmentalist on the left side of this aisle in this Congress couldn't fly over the North Slope and point to the oil field, they wouldn't see it.

I can find it because I know what it looks like. I would like to take them up there and show them. All I saw for wildlife, there are no native caribou, by the way. I saw four musk oxen, that's it, standing there with their head down, they wouldn't know if there's an oil well next to them or not, but it's environmentally friendly.

We did it in a responsible fashion, and we have got 1 million barrels a day to bring down here. We need to open up every kind of energy, do it now, do it all the time, do it everywhere. Get it into the marketplace, get the rules out of the way, and let's not be punishing companies for producing energy. Yes, one of the slices on this pie needs to be conservation as well.

I thank the gentlelady from Minnesota for yielding to me, and thanks for leading this special order.

□ 2230

Mrs. BACHMANN. Thank you, Congressman KING.

I would ask the Speaker how much time remains.

The SPEAKER pro tempore. Approximately 30 minutes.

Mrs. BACHMANN. Thank you, Mr. Speaker. I appreciate that.

I'm sure everyone tonight, Mr. Speaker, can hear the passion in the voices of the people who are speaking in this Special Order hour. It's because we understand from our constituents back home how real this is for them. This is an issue where the American people are way ahead of people in Congress. They get it, how difficult this is, and that's why we have been repeatedly asking our constituents back home in our districts ''Why don't you go ahead and show us how painful this is, how difficult this is, how real this is. Take your receipts from your car when you go and fill up your tank or, if you are a trucker, when you fill up your truck. Take those receipts. Fill them up. Send them to us. Send them to your Member of Congress. We want to be able to have them here so we can demonstrate what tremendous agony this is for Americans.''

I believe that we should have bushel baskets full of receipts from people when they fill up their gas tanks so we can show people how real this is, the pain at the pump, because that represents money that every person is paying today, money that would be needless, that we don't have to pay because we know we can get back to $2 a gallon. How do we know that?

We know that rather than paying $4.07, which is today's national average for gasoline—it still shocks me when I see that number up on a billboard. We know we've got our answer. This is our answer: Our natural gift from God that he has given to the United States. God has given us these natural resources, and it is our obligation to be good stewards of what we have and to take dominion over this, to take dominion and to cultivate what we have in a safe, sound and environmentally sensitive way so we can take care of the needs of our people and yet also be good stewards of the land.

We have two very different philosophies that we're looking at. For those of us who are speaking now in the Special Order, we're saying explore America; do it now so that Americans can pay less. There is a completely different philosophy that has also been talked about in recent weeks, and that plan is to pay more and to drive less. That's really what it comes down to. Pay more and drive less. But is that what we want for Americans? Is that what we want for this generation and for the next generation? I don't, because this is what I'm concerned about: Whoever controls fuel will control our freedom. Think about that. Whoever controls our energy will control our freedom and will control the future.

Congressman STEVE KING of Iowa was talking a little bit about climate control legislation, and it's also called a cap-and-trade system. Now, I don't call it ''cap and trade.'' I call it ''tax and spend'' because that's really what it is, in a nutshell, if you want to know what ''cap and trade'' is.

Before I hand this off to Representative PHIL GINGREY from Georgia, who has some comments he would like to make, I just want to say a little bit about cap and trade, or what I call ''tax and spend.''

This proposal that has been coming from people who want you to pay more and drive less, that's their answer regarding this energy crisis. You pay more and you drive less. As a matter of fact, we heard from the nominee of one of the major political parties that his concern was not the high price that Americans are paying for gasoline but how quickly that price is rising.

Well, I think, for those of us who are speaking tonight in this special hour, our real concern is that high price of gasoline because we see not only is it impacting people personally in their pocketbooks, not only is it having a devastating impact on the economy, but it's also impacting our national security because, as we are more dependent on foreign oil and as we're paying ever-increasing prices and sending billions—and now it will soon be $1 trillion—off to other countries that don't like us very much, we are seeing that negative impact here at home.

Let me just say a few words about cap and trade, or tax and spend. Tax and spend works like this:

If you think you're already paying a high price for energy, now what your Federal Government wants to do is to force you to pay for the right to buy that energy. As if it isn't punishing enough to just buy the energy in the first place, you're going to have to pay for the right to buy energy. Now, think of that madness. You're going to have to buy a permit if you're a business. If you're an individual, you're going to be paying indirectly for that permit.

By the way, the Federal Government created the problem. Congress created these high prices. Now, if they haven't mucked it up already, Congress wants to charge you for the right to purchase overly inflated prices of energy. Think of that. By the year 2025, Congress in one bill wants to tax you $6.7 trillion. They want you to pay $6.7 trillion in this tax for the right to purchase very expensive energy. Think of what that is going to do to our economy.

If you do that and if we comply with what all of these grandiose schemes are, guess what the bottom line result will be out of this cap-and-trade or, what I call, tax-and-spend legislation? By the way, the brain trusts who have come up with this scheme have already spent this $6.7 trillion. They have already decided how they're going to spend this money.

But guess what the final result will be. If everything goes perfectly, according to plan, they will only reduce the Earth's temperature, according to their models, by seven one hundredths of a percent. Just think. Are we really willing to devastate the United States' economy? For what? To cool the Earth? Maybe. At seven one hundredths of a percent?

We need to think about this really carefully and have a debate right here, a genuine debate, where you see a few more Members of Congress in the room who are debating this very serious issue. This is serious enough that we are here tonight because we want the American people to know that there are answers, and we don't have to go along with all of this folderol, the tax and spend and all of the nonsense that goes on.

Let me tell you one of the first bills that we voted on this week. We voted to make it illegal to transport monkeys across State lines. I'm not making this up. This is absolutely the truth. We all got on planes that emit a lot of carbon. We came from all corners of the United States so that we could have the right—you heard me—to vote to make it illegal to transport monkeys across State lines. That was the most pressing thing that this body had to do this week while you were busy getting out of bed in the morning, paying $4.07 a gallon, thinking, ''Now what am I going to do? Now what am I going to have to give up so I can pay $4.07 a gallon?'' But don't worry. In the United States Congress, we made it illegal to transport monkeys across State lines.

If you don't think that's bad enough, do you know what we did a couple of weeks ago? It is absolutely true, and it happened right here on this floor. We voted to send your money—I did not vote for it, but enough people in this body voted for it. We voted to send $25 million of your money to foreign countries in foreign aid to pay for foreign cats and foreign dogs, not even American cats and dogs in foreign countries. We spent your money, $25 million, and sent it to foreign countries to pay for foreign cats and foreign dogs.

As if that were not bad enough, the next day, we sent more millions to foreign countries to pay for foreign birds. Well, at least we didn't do that for foreign monkeys. All we did is make it illegal to transport monkeys across State lines. This is what your United States Congress has been doing while you've been busy spending $4.07 a gallon. That's a travesty.

That's why we're here tonight to tell you don't give up hope yet. We're saying let's explore America. Let's explore

now so that you can pay less because, otherwise, we'll have to go with their answer. Remember what their answer is: Pay more. Drive less. I don't think that's what we want to do.

That's why I want you to hear from my distinguished colleague from Georgia's 11th District. His name is Dr. PHIL GINGREY. I'd like you to give him some attention so that he can talk to you about what he knows to be true about energy.

Mr. GINGREY. Mr. Speaker, I thank the gentlelady from Minnesota for yielding to me and for my having the opportunity tonight to join my colleagues to discuss what clearly is the most important issue facing our Nation at this particular time.

Mr. Speaker, you know my background is that of an OB/GYN physician, and health care has always been a passion of mine. Ever since I got here in the Congress, I've been working on health care legislation in a bipartisan way. Clearly, with 45 million, 47 million uninsured in this country, health care continues to be a very important issue, but when I talk now to my constituents in northwest Georgia, in the 11th District of Georgia, the most important thing to them as we come upon these Presidential and congressional elections in November of this year, without question, is the price of gasoline, and my colleagues have pointed this out so clearly, Mr. Speaker, with the statistics that they have given.

Mrs. BACHMANN just talked about the fact that the price of a gallon of gasoline, regular gasoline, is about $4.08 a gallon. Disease fuel is even higher than that. People are going to enjoy a 4th of July weekend at home this year, I can assure you, not just in my district in Georgia but across this country.

A few minutes ago, Mr. Speaker, my colleague from Iowa was talking about the Arctic National Wildlife Refuge. With his words, he was trying to put a picture, a description, in our colleagues' minds of what it looks like. I just happen to have a couple of posters that I want to show my colleagues. If we look at this first poster, I think that a lot of people across this country have received this in their mailbox, this picture as it may have appeared from MoveOn.org or from whoever happened to send this across the Nation, suggesting to people that the Arctic National Wildlife Refuge looks like this—some pristine, beautiful area with lots of swans and caribou and moose—and that this is a year-round picture of the Arctic National Wildlife Refuge.

Really, in fact, if my colleagues will take a look at this second poster, 11 months out of the year, this is what ANWR looks like. It's a frozen tundra. There is nothing there, Mr. Speaker and my colleagues, in the area, in the footprint, where we would drill and where there is plenty, plenty of oil. In fact, we estimate there could be 1.5 million barrels a day that we could add to our domestic production by drilling in this very small area, which is, I think, something like 2 square miles. In any regard, it is a very small area.

So what we have tried to present to our colleagues in this hour is the fact that we are suffering. Yet there is plenty of oil and natural gas within this country and on our Outer Continental Shelf. There are literally trillions of cubic feet of natural gas off of our east and west coasts. There are probably tens of billions of barrels of petroleum off of our Outer Continental Shelf in addition to that, that I mentioned, in ANWR, up in Alaska. Yet we are just simply doing nothing.

I have another poster, my colleagues, I want you to take a look at. This pretty well depicts what this ''do nothing'' Congress has been up to for the last year and a half under this new majority. If you would look at this cartoon, starting over here, I'll read it to you.

Now, this is from Congress. It says: We demand you energy companies do something about these high energy prices. Their first answer is: Well, we can drill in ANWR. Congress' response: Forget it.

The next cartoon: Well, how about offshore? the Outer Continental Shelf? Congress' response: Are you kidding?

The next response from these oil companies: Well, how about clean coal, converting coal to liquid in a clean way? We can come up with millions of gallons of petroleum by doing that. Congress' response: Out of the question.

Well, the oil companies say in this next cartoon: Well, how about nuclear power? We haven't licensed a new nuclear power facility for over 30 years in this country, back in the 1970s. You know, nuclear power since then has gotten more sophisticated. It's clean. It's safe. Congress' response: You must be joking.

Finally, the energy companies just throw up their hands and say: What? Congress' response: Well, don't just sit there. Do something.

Well, it's a cartoon, but it's also very serious. The bottom line is we are spending and have spent for the last 2 years all of our attention worrying about global warming and climate change. Yet here we have seen, in the 17 months that Speaker PELOSI has enjoyed her speakership, this Pelosi premium, and the price of gasoline has gone up about $1.75 a gallon.

□ 2245

It is clearly time to get some of these domestic sources on-line, these resources which are right here that we have, rather than continuing to depend on foreign countries, like the OPEC nations, like Venezuela, that are not very friendly to us. And that's, pure and simple, Mr. Speaker, the reason why we're here tonight to say to our colleagues, in a bipartisan way, we ought to do this.

And in addition to drilling for oil and natural gas and doing it now, certainly, there are other things, nuclear power, as I mentioned, alternative fuels, solar, wind farms, all of these things are part of the mix. But it is time, and it is time to act now. And that's what real leadership is. And that's what the Republican Party is trying to bring to this Congress and say to our colleagues, look, we have got six bills sitting right over there with discharge petitions which will allow us to do some of these things which will make us energy independent and absolutely will bring down that price of gasoline, almost overnight, because a lot of this is sort of speculation. And people, as soon as they realize that we are going to do something, the price will definitely come down.

So I appreciate the opportunity to be with my colleagues tonight. I know there are others here who want to weigh in on this issue, so I want to thank the gentlelady from Minnesota, especially thank her for giving me this time, and I yield back to her.

Mrs. BACHMANN. I thank the gentleman from Georgia, Dr. GINGREY. Thank you for those important words. And again, I appreciate the expertise that you bring to bear on this wonderful debate tonight.

Remember, there's two ways that we can go about approaching this problem. We can go with the philosophy that says pay more, drive less, put on your sweater, lower your thermostat and sit home, give in to defeat, just think it's over, suck your thumb.

Mr. Speaker, that's one philosophy that the American people could embrace, but I don't think that's the American way. I don't think that's the ''can do'' spirit. I don't think that's what the founders of this Nation bled and died for.

I think if they were here right now, they'd be telling us, wake up, take a look at reality. We have got the answer right here in America.

We haven't talked an awful lot about nuclear power tonight. That's something that we can look at as well. We've talked about exploring the Arctic energy slope, Representative STEVE KING spoke about that and what the landscape looks like and the fact that we can do this in a wonderfully clean, environmentally sensitive way. It's entirely possible.

We can explore our deep sea reserves which contain over 86 billion barrels of oil, perhaps even more. We can access those.

Also, our natural gas that's available to us in the Gulf of Mexico area, and also the shale energy reserves where we are the Saudi Arabia of oil in Colorado, Utah and Wyoming.

Nuclear power, we know that France derives 80 percent of its energy from nuclear power. I'm grateful that there's a nuclear power plant in my district in Monticello, Minnesota. It's such a wonderfully reliable source of energy, clean, and has zero emissions.

And also tax incentives for alternative energy. Can you believe that we would let these incentives expire, Mr.

Speaker, these incentives for alternative energies, whether it's wind, solar or biofuels? We shouldn't let these expire, we should extend these.

Because what we are saying on the Republican side of the aisle, Mr. Speaker, is let's get a big table, like a big table like we have here in the well this evening, and let's take every answer that America has, put it on the table, let's develop that resource. Let's have dominion over that resource. Let's open it up, cultivate it, use it in a wise way.

You know, Mr. Speaker, the United States is one of the only countries in the world that actually saw a reduction in its emissions over this last year. We didn't sign the Kyoto Treaty, yet nations all across the world that signed the Kyoto Treaty, they saw their emissions go up. Europe, the EU countries have signed a cap and trade system, or what we call the tax and spend system because that describes it more accurately. Europe has actually seen an increase in its emissions. Think of that.

I think it's good for us, I'm glad that Europe decided to go that route before the United States made the mistake of going down that road. It's important, Mr. Speaker, that we know what we're getting into before we take that plunge.

I just wanted to give a couple of statistics before I hand the next few moments over to my distinguished colleague from the great State of Michigan, Representative TIM WALBERG, and it's this: It's the facts. All we have to do is look at the facts. This isn't junk science. These are facts, Mr. Speaker. And if you look at the facts of voting patterns over the last 15 years, I'm not talking about the last 15 days, the last 15 months, but if you look at the voting patterns of this Congress over the last 15 years, Mr. Speaker, this is what you'll find out. Over 90 percent of the time, House Republicans voted to increase production of American-made oil and gas. You heard me right. Over 91 percent of the time Republicans voted to explore in America, to explore now for American oil and gas. The Republicans have not been the obstacles. The Republicans haven't been perfect by a long shot. There's a lot of missed opportunities the Republicans have made. But over 91 percent of the time you've been able to count, Mr. Speaker, the American people have been able to count on the Republicans to vote to explore for American oil and American gas now.

Let's take a look at the other statistic. Almost 90 percent of the time, 86 percent of the time, to be exact, that's the percentage of time that the House Democrats, over the last 15 years, have voted against increasing the production of American-made oil and gas. Those numbers are almost flipped. And I have no joy in giving those numbers, because my preference, and my heart is to see Republicans and Democrats come together. Now we're in a crisis. We can't be partisan right now. We have to be about America right now because now is about solutions and answers so we can get to our goal, $2 a gallon gasoline. And it's real, and it's possible, and we can get there sooner if we start now.

And with that, Mr. Speaker, I'd like to hand over the next few moments to my distinguished colleague from the great State of Michigan, Representative TIM WALBERG, who has tremendous passion, and who also has stood on this floor and managed an hour on energy so that he can also get his passion to the American people for the answers that he knows are available to make all of our lives better, Mr. Speaker, so we can get back to $2 a gallon gasoline.

Representative TIM WALBERG of Michigan.

Mr. WALBERG. I thank my friend from Minnesota for yielding a bit of time here this evening for me to talk on this issue. And my good friend from Georgia brought up a point, that we have legislation available that would deal with this issue, that would move us forward; legislation that isn't just talking. It is legislation that will have impact. We have discharge petitions on the floor of the House right now, two, in fact, one that I put forth last week, that would bring out of committee a bill that says simply, no more excuses. Let's get on with it. Exactly what you were talking about, Mrs. BACHMANN, from doing what we have to do, forgetting the talk and managing what we have.

And Mr. Speaker, I am standing here today to encourage my colleagues to sign that petition. If we won't deal with it in committee, let's bring it forward to say there is oil under the ground in ANWR, off our Outer Continental Shelf, the Bakken Reserve out in North Dakota, Montana, we have shale oil reserves, we have coal, clean coal technology that we can use, we've got nuclear power. We have articles written by the former, not the former, in fact the founder of Greenpeace who says we ought to be using nuclear power. It's clean, it's green, it doesn't add to the greenhouse effect, it's safe. We ought to be using it.

We have the opportunity, if we'll just take it right now, and I'm encouraging people, Mr. Speaker, that are of goodwill of this country, who want to continue on the wonderful situation, the lifestyle we have in this country that has been a blessing not only for us but for the rest of the world, to contact Members and encourage them to sign this petition to move forward, quit talking about it.

Last night I was shocked to get on my Blackberry a contact from my staff noting a point that was per program, Capitol Hill, that House Democrats, responding to President Bush's call for Congress to lift the moratorium on off shore drilling, in fact offered their approach of saying we ought to have nationalized refineries.

Now, this is the same country that runs Social Security, runs the VA hospitals, runs Medicare, and gives awful sorts of problems to the United States taxpayer. Now we're going to take over refineries and run those?

Hasn't that been tried in other countries without effect? Didn't Chavez take over refineries in his country, just by matter of fact say they are no longer use, private sector. They're mine?

That's not the direction we want to go. We need to use the resources we have.

Just this past weekend, I'll tell my colleagues, an interesting story. I have Michigan International Speedway in my district, in fact, 6 miles from my house. Dale Earnhardt, NASCAR race, first of the season at Michigan International Speedway, won the race. But he won the race on fumes. In fact, he ran out of gas going across the finish line. Now, he did that by choice. He used his resources well, to the point that he knew if he stayed on the track he would finish, even though he'd to coast across the line. He won.

Unlike America right now, we have the resources, we have the gas, we have the fuel, but we've chosen to turn it off. We've chosen to stop the race. We've chosen to go to the pit row. We've chosen to have our hot dogs instead of finishing the rays and having victory. We can do it.

On the other side of the ledger, the Governor of the great State of Michigan, and it is a great State, de Tocqueville, it's alleged, called us the wolverines and that's where we got the title because we don't have a wolverine in our State. But we were called the wolverines because anyone who could put up with the mosquitoes in the swamp infested region of Michigan had to be a wolverine of tenacity.

Well, 2 weeks ago the Governor made mention of the fact that she was now riding a bicycle to work from her residence to the Capitol each day, with her security detail following on their bicycles as well.

My wife and I enjoyed a bicycle ride this past weekend on our mountain bikes. We enjoyed it. It's good exercise.

But the Governor of the motor capital of the world riding a bicycle, that's not what we should push our citizens to do.

We have the resources. No more energy, No More Excuses Energy Act would be one of those things.

And Mrs. BACHMANN, I ask tonight that we encourage citizens, we encourage our colleagues, we encourage the action to take, to sign that petition, to get that bill that MAC THORNBERRY from Texas has sponsored that says, let's just get it done. Explore here, explore now, pay less. Drill here, drill now, pay less. Use the resources we have, and this country cannot only be great for ourselves, but we can also continue to be the resource for the rest of the world.

I thank you for the time you've given me. I wanted to give that commercial.

And Mr. Speaker, I thank you for the opportunity. And I give back my time.

Mrs. BACHMANN. Thank you to the representative from Michigan, TIM WALBERG. I appreciate that.

We are a great country. I believe that we are the greatest country that the world has ever seen. And in this country, in the fields of Pennsylvania, over 100 years ago was discovered a resource called oil; and that resource literally changed the world, changed this Nation, and allowed us to grow and to prosper in a way that our forefathers never dreamed would even be a possibility.

We have that future yet in front of us again, Mr. Speaker. That future lies before us. It isn't time to throw in the towel for the American people. I know I'm not willing to have my generation be the last generation that sees growth. I don't want my children to live in the shadow of history in a declining Nation.

I don't think most American people want that. We want a future. We want a hope, and that's something that we can have, and we have to have energy in order to make that happen.

Now, remember, there's two choices that we talked about tonight. We can have one that is pay more, drive less, put on your sweater, lower your thermostat and sit at home. That's one philosophy.

And as Representative WALBERG said, there were people on the opposite side of the aisle, Democrats yesterday who said, and I quote, we, the government, should own the refineries. Then we can control how much gets out into the market.

I stipulate, Mr. Speaker, that's exactly the wrong message for us. We, instead of having the Federal Government nationalizing industries, want to explore here, explore now, pay less. And I yield back.

□ 2300

REPUBLICANS' ENERGY ''SOLUTIONS'' WON'T SOLVE OUR ENERGY CRISIS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for half the remaining time until midnight.

Mr. BLUMENAUER. Thank you very much, Mr. Speaker, and I have enjoyed listening to the last hour from my colleagues on the other side of the aisle give their version of what we should do to deal with the energy problems that we face.

You know, I found it amusing what we didn't hear in the course of their discussion. They were able to talk for one solid hour, and there was no mention of conservation. The fact that the United States has less than 3 percent of the world's proven reserves of oil, that we consume almost 25 percent of it, that we waste more than any country in the world, that it has taken George Bush longer to get to 35-miles-per-gallon fuel efficiency than it took Jack Kennedy to get to the moon, not one word about something that was going to make a difference.

We didn't hear one word about how long it would take if they got everything they wanted, if they surrendered America's energy future in toto by giving all of the remaining oil and gas leases going to some of our most precious and sensitive areas that was highly speculative, and is in fact opposed by some Republican governors like Governor Schwarzenegger of California. If you just turned all of that over, they didn't talk about how long it would take to produce. And our friends at home can do a little bit of research from independent analysts, and they'll find that that's 7 to 10 years into the future. They didn't talk about how long that would take.

You didn't hear one word about popping the speculative bubble. If they had been attending the hearings that we have had here in Congress in the course of the last couple months, we would find that experts, including people from the oil industry, have testified that up to $50 of this increase in the price of a barrel of oil is due to speculation. And we haven't heard one word about what they would do to pop the speculative bubble, which much faster than anything you can talk about draining all our resources and turning available land over to the oil companies, this would make a difference immediately.

We haven't heard from them about all of the flip-flopping that's going on. You know, we heard this land is off-limits. George Bush I issued an executive order that declared areas off limits to drilling. George Bush II and the Republican Congress for the previous 6 years didn't do anything about this. But George Bush, by a stroke of the pen, could reverse what his father put in place. Yet our friends didn't have anything to say about that.

It's interesting watching the flip-flopping that's going on in the Republican party. JOHN MCCAIN was against drilling in these sensitive areas when he was a candidate for President in 2000. In fact, he's maintained a position against drilling in the sensitive offshore areas until a few days ago when he's decided to change. Of course, he does not agree with my friends on the other side of the aisle that we should go into the Arctic Wildlife Refuge. Maybe he understands that that's the last place we should drill instead of the next.

We're finding that it is fascinating watching the jujitsu here where people are flipping around changing positions and there is no consistency, there is no honesty in terms of how long it would take, there is no effort to deal with some of the things that are actually running up the prices.

Mr. Speaker, the Democrats in Congress have been passing initiatives since we regained control to improve fuel efficiency that was approved over the objection of the Republicans and over the objection of George Bush and was delayed. We have had initiatives to improve efficiency to give people more tools, to shift from lavish subsidies to the most profitable corporations in the history of the planet, the oil companies that really don't need extra subsidies, and give it to alternative sources of energy like wind and solar that do need it now.

We are very concerned that we use the resources that are available now. It is absolutely facetious to suggest that we have locked up all of America's energy resources. What you didn't hear from my friends that have been talking for an hour is the fact that there are 68 million acres already under control of the oil and gas industry that they have chosen not to explore. They're not in production. 68 million acres. Indeed, the majority of the land that is available right now they have chosen not to use.

We have legislation from a number of my colleagues that I am proud to cosponsor that would simply require that the oil companies use it or they lose it. If they are going to have these leases, they're going to have to explore it. And if they don't, then they will lose the opportunity to tie up even more land. That simple expedient of using it or losing it would spark far more exploration than anything my colleagues talked about for an hour and would do it much sooner.

Second, we need to pop the speculative bubble. They haven't said anything about that. Not one word, other than one of my colleagues, to acknowledge that the speculators are at work. But no focus about what we're going to do about it.

As I mentioned, we have heard, including a top executive from ExxonMobil that testified before our Committee on Energy Independence and Global Warming, that speculation, along with weakening of the dollar and geopolitical risk, is responsible for driving oil prices up to $50 a barrel.

Now, I don't know whether the speculative bubble is $5 a barrel or $50 a barrel, but that is something that this Congress should do something about. It's something the administration has turned a blind eye to, and it's something my Republican colleagues have nothing to say about.

We have legislation to deal with that.

Congressman LARSON from Connecticut has legislation that is pretty straightforward that if you are going to speculate in oil futures, you have to be willing to take delivery. Now, this is supported by people who are in the oil—it wouldn't affect anybody who is in the oil and gas business who's producing or delivering, but the people who are simply there to profit from speculation would have their wings clipped a little bit.

The Enron loophole which excluded this speculative activity in energy which was approved under the watch of

this administration and the Republicans of Congress, excluded it from supervision from the Commodities Futures Trading Commission. We think it's time to close the Enron loophole. We think it's time to have more oversight rather than less.

Let's deal, for instance, with the amount of margin, the leverage that people who are doing something that's perfectly appropriate trying to make a buck, but we want to make sure that we don't have yet another speculative bubble that is hammering the American economy like we've seen with the housing bubble, what we saw in the stock market bubble. People turn a blind eye to it. We suggest we shouldn't do that.

It is important to ramp up efforts at conservation. As I mentioned, it's taken George Bush, who sat in before us speaking from the podium immediately in front of me and declared that we were addicted to oil, the same George Bush who said at $50 a barrel the oil companies didn't need subsidies to be encouraged to develop oil resources but yet has consistently fought our efforts to shift unnecessary subsidies when oil prices were twice that.

It's taken this administration longer to get to 35 miles per gallon than it took Jack Kennedy to get to the moon.

We need to help provide consumers with more choices. We need to accelerate our efforts dealing with alternative fuels.

I see my colleague, JAY INSLEE, has joined us here in the Chamber. Congressman INSLEE serves with me on the Speaker's Select Committee on Energy Independence and Global Warming who's done a great deal of work and research and has listened to the testimony that I have heard that there are a vast array of entrepreneurs ready to go right now with plug-in hybrids, with electric cars, that we should be accelerating this effort.

And before I turn to my colleague to elaborate on that, somebody who speaks with great passion, authority, and conviction, I would mention that the Federal Government itself, under the Republican administration, continues to have a vast fleet of gas-hungry SUVs. We're spending $3½ billion through GSA for hundreds of thousands of vehicles and millions of gallons of gasoline. Wouldn't it be nice for this administration to get serious about not competing with the rest of American consumers by moving to more fuel-efficient cars ourselves, more biodiesel, alternative energy sources, plug-in hybrids, to be a leader rather than making the problem worse?

Congressman INSLEE, I appreciate your taking time late at night to join me. I appreciate your leadership and advocacy, and I wonder if you might want to talk a little bit about some of the choices, based on your research and work, that should be made available to the American consumer.

Mr. INSLEE. You bet. And any time an optimist is talking at 11 o'clock at night about America's great energy future—and I think we do have a very great energy future before us, and I appreciate you sharing that sense of optimism.

And I'm optimistic because it is my belief that America has the same right stuff we had in the 1960s when Kennedy sent us to the moon and that same right stuff, that same intellectual fever, that same sense of a can-do spirit, that same innovative spirit is really available to us if we, in this building, will simply unshackle that creative power of America to solve our energy woes.

And the reason I came over here tonight is that I am very concerned that some folks are promoting an alleged plan that won't solve our problems but will short-sell the Americans' spirit of being really able to solve this problem through technological gains.

I heard some of my colleagues on the other side of the aisle today proposing what they call an energy plan which is to simply drill more holes in the ground. And I would suggest very strongly that that is a plan doomed for total and abject failure, which is something at $4 a gallon of gas and a war in the Middle East and global warming nipping on our heels we can't run the risk of failure.

And I'm just going to suggest what has been proposed is too little, too late, and too timid.

And the first two are obvious why they're too little and too late. We know that it's too little simply to drill a few more holes in the ground in the United States because we don't have the oil. Even if we drill in Mount Rushmore, Yellowstone National Park, and the Capitol Mall, we could drill in the south lawn of the White House, but we don't have the oil that can make any significant difference in the price of oil.

Oil is a fungible product that is sold on a worldwide market, and every single expert that has testified—and we're not talking Democrats or Republicans; we're talking to people who know the oil industry—and every single expert that we have talked to has told us even in the long term, because our dinosaurs somehow died under the Saudi Arabia soil, we don't have the oil to make a difference in the price. Simple economic fact.

□ 2315

The simple fact is we use 25 percent of the world's oil. The experts have told us, even if you drill in the south lawn of the White House, we've only got 3 to 3.2 percent of the world's oil supply. Because oil trades on a worldwide market, we can maximize and we won't be able to change the worldwide price of oil more than a couple of cents.

And I want to make sure people understand this. There's a bunch of hooey coming from across the other side of the aisle that you're going to get $2 a gallon of gasoline if we drill on the south lawn of the White House. It's a bunch of hooey.

Every single expert who has testified in the United States Congress for the last 2 years has told us that if you maximize drilling, if you ignore all of any environmental concerns we have, you will not change the price of oil more than a couple of pennies because it simply isn't enough to make a difference. The oil under Saudi Arabia is many, many, many fold the oil that we have no matter where we drill.

So telling Americans that we are going to be able to affect the price of oil by expanding drilling in the United States is simple flimflam, and it reminds me of that great movie with George W. Scott called ''The Flim-Flam Man.'' He said he identified himself as a master of back stabbing, cork screwing and dirty dealing. And I think, frankly, it is a flimflam to tell people that it's going to solve it. It's too little.

But it's too late because we shouldn't wait till 2030. The first oil that would flow from these new holes in the ground wouldn't flow until 2030. It is too late. It is too late for the Americans.

And it's too timid. Now, I believe Mr. BLUMENAUER talked about this a little bit, but we have really one significant thing we can do in the short-term, and that is to end this rampant speculation that the experts are telling us is driving up the price that is not a function of supply and demand. It's hard to explain these increases any other way but rampant speculation.

And tomorrow, I'll be joining Representative BART STUPAK, who's doing great work leading the House to a bill that will finally close the loopholes that have allowed these speculators to act in a nontransparent, sort of dark hole, of energy—of oil trading. And you know, they operate—and the one thing that was entirely appropriately named—It's called the Enron loophole. Man, that was the right name for that loophole, where these traders can do swaps, and we don't know about it.

So we need to close these loopholes. That can have a short-term impact this year where we don't have to wait 20 years for a resolution. So it's too little, too late.

But I just want to really focus on the part about being too timid. We need a bold, courageous, over-the-horizon, visionary energy plan that's fitting of the talents of the American people. Drilling holes in the ground is 140-year technology. It is old, mature technology. We do it quite well, and we've done it for a long time.

Now is the time to turn the page and add to our portfolio of energy sources a whole new suite of technological sources that can power our cars and our homes, and I want to mention two of them. Okay?

In the last 2 weeks, I've met with two people. One is a guy named Felix Cramer, who's a guy who essentially helped invent the plug-in hybrid car. You plug it in, you run it for 40-plus miles on electricity, and if you want to

drive more, you use gasoline or ethanol. These are technologies that we need to strive on.

And next week, I meet some folks at the A123 battery company in Boston. These are the folks who are making the lithium ion batteries that will be able to drive your car ultimately 100 miles and 40 miles now without a charge.

We don't have to shackle ourselves to oil for the next 100 years. We've got to break our addiction to oil. We have the capacity to do this, but if we're timid, if we're pessimistic, if we're shortsighted, we will simply do what we've done for 140 years, which is drill holes in the ground.

And we have a policy, and I've introduced a bill called the New Apollo Energy Act which basically says that this country's going to go on a course of technological innovation, and this truly has the capability of breaking the chains of oil, and I know we're capable of doing that.

So I appreciate Mr. BLUMENAUER starting this discussion.

Mr. BLUMENAUER. I appreciate, Mr. INSLEE, your continued advocacy, being on message, moving legislative initiatives, and helping educate the American public about the potential of the New Apollo Project, the potential for our economy, the potential for a new era.

I want to conclude because I guess we only have half an hour, so I've got a few minutes left. So I'm going to conclude by just running through what we didn't hear this evening. I want to be very, very focused on this because what we didn't hear was an honest explanation of what the problem is and where we're going to go. If for some reason we have a few more moments, I'll be happy to flip back to my friend, but let me just finish my thoughts here.

The notion that we are going to somehow surrender our energy future to the Big Oil companies, allow them to lease everything else, and have it their will to take some of our most precious, sensitive places and run roughshod over the will of the people in California or Florida or elsewhere, New Jersey, I mean, a whole host of places that would be affected by this and somehow get $2 a gallon gasoline is poppycock. And I think my good friend from Washington said hooey.

But you look at any independent, honest, objective expert, and they will say, you may be able to affect things 7 to 10 years from now a penny or two below what the price otherwise would be because we're caught up in a global initiative.

It is as phony as Senator MCCAIN's proposal for a gas tax holiday which would only give the holiday to the Big Oil companies, and we'd rely on their magnificent generosity to trickle a little of that down. No indication that that would happen.

We didn't hear one word about global warming, which even Senator MCCAIN and Senator OBAMA agree on and we are going to be dealing with a carbon-constrained economy.

Not one word about conservation. We can't afford to continue to waste more oil than any country in the world.

We heard an attack on cap-and-trade, which is where the United States and every other developed economy is going. We're going to have a carbon-constrained economy. We're not going to enable people to continue to pollute the environment with massive amounts of carbon, slowly cook the planet, raise sea levels and temperatures with extreme weather. That's not going to happen. The American public understands that. The evangelical community, the environmental community, organized labor and business are moving in this direction.

It was George Bush the first's decision to issue many of these protections via executive order, and George Bush the second—if he had been serious about this, would have done it years ago. He would have changed his father's decision if he was serious about it before he was running in Florida and California. He hasn't.

It will take 7 to 10 years for this to get to market. We will, as Mr. INSLEE has mentioned, we will deal with closing the Enron loophole and squeezing the speculators.

We need to use what we have now, the use-it-or-lose-it. Sixty-eight million acres are now open to the large oil companies right now, an area the size of Georgia and Illinois combined. We're going to advance legislation that says they we're going to use that before we mortgage the rest of our energy future for them, or we'll give it to somebody who will.

I'm amazed that my friends continue to come to the floor and attack bicycles. I find that somewhat amusing because I've been working for a dozen years on bike partisanship. I know there are many Members on the Republican side of the aisle that don't believe the rhetoric of their extreme Members and their leadership who belittle the role that new technologies can play or the application of old technologies.

You know, today, if you go down to the G2 entrance in the Rayburn building, you can't find a place to park a bike. Members and staff are coming here in droves. At $4 or $5 a gallon, you bet it makes sense. Making an opportunity for our children to walk or bike to school safely, you bet it makes sense. Would we be talking about morbidly obese, 300-pound sixth graders if more kids could do that? Yet somehow the Republican leadership has chosen to try and belittle the most effective form of urban transportation ever designed and, in fact, is supported by many of the Republicans themselves.

At the Republican convention and the Democratic convention, Mr. Speaker, we're going to have 1,000 bicycles, and you watch these people who try and belittle cycling. You watch delegates line up to use it, to travel around Minneapolis and Denver, to actually see the community at 10 miles an hour, to get through security and parking hassles, to be able to get a little exercise and save some energy.

But that is symptomatic of their approach to try and score political points, to make fun of things that make a difference, and ultimately, it's why their approach is doomed to fail.

Democrats, since we assumed control, have been working on initiatives to give the American consumer more choices, to protect the environment, to encourage conservation, to give them more fuel-efficient cars, to give them mass transit, to give people in rural and small town America and our urban centers more opportunities about how they move, where they live, to get more out of the energy that we've got and develop new technologies that are more sustainable, that will lead to the revitalization not just of the environment but to our economy.

Mr. INSLEE. Will the gentleman yield for a minute?

Mr. BLUMENAUER. I would be happy to yield to the gentleman.

Mr. INSLEE. I always appreciate Mr. BLUMENAUER's question of isn't it kind of funny to watch people stuck in traffic, driving to the gym to ride the stationary bicycle, and I always kind of appreciate that irony.

I want to point out in talking about this theme of why we need a bold energy plan rather than a timid one, I want to point out three e-mails I've got in the last 24 hours that I think depict the future that we optimists see rather than pessimists who just want to remain addicted to oil.

One was an e-mail I got about 4 hours ago from the United States Climate Change Science Program. This is a program in the George Bush administration. They just released their report about what the United States is going to face due to global warming. We're not talking about Kenya or India. We're talking about the United States.

And today at 1:30, they released their report. This is the official scientific assessment of the administration of George Bush. And they concluded, Among the major findings reported in this assessment are that droughts, heavy downpours, excessive heat, and intense hurricanes are likely to be become more commonplace as humans continue to increase the atmospheric concentrations of heat-trapping greenhouse gases. The report is based on scientific evidence that a warming world will be accompanied by changes in the intensity, duration, frequency, and geographic extent of weather and climate extremes.

That is the Bush administration's own people recognizing that the science says that we are in some dire consequences.

In talking to my friends here tonight, who have been stacking sandbags in Iowa, in the second 500-year flood in about 14 years, I think we can see something's happening. I'm not saying this flood is specifically caused

by global warming, but what we do know is these kind of incidents are going to become more frequent over time.

Now, what is the response from this side of the aisle from that scientific information?

□ 2330

You know, this side of the aisle, they trust science. They believe in science because they use cell phones, which are based on quantum mechanics. And they fly on Boeing airplanes, which are based on advanced physics. But when it comes to the science of global warming, what is their response? Their response is, let's just drill more oil and use more oil and pollute more global warming gases. That is a nonstarter of a strategy that can save the planet from the problems that the George Bush administration scientific assessment this afternoon says we're in for. That is too timid.

Now, the second e-mail I got, I got it about 35 minutes ago, it was from the Nano Solar Company in Palo Alto, California. The Nano Solar Company is a thin cell photovoltaic company. And thin cells are a new type of photovoltaic. It's a solar cell that creates electricity just from sunlight. And it's thin cell, where you just spray this material on a plastic coating and boom, you've got yourself a solar cell. It's much cheaper to make than a silicon-based photovoltaic cell. Today they announced that they were the first company in the world to have one gigawatt of manufacturing capacity for photovoltaics, which can dramatically decrease the cost of production of photovoltaics.

Now, we have a vision on this side of the aisle to help those companies expand. And if they do, we're going to eventually be able to break this addiction to oil. And that company is part of a vision where we use solar power, wind power, enhanced geothermal power, potentially clean coal, potentially some other sources to produce electricity and run cars on electricity. That's a vision that's up to the innovative capability. But the answer from this side of the aisle is, no, no, don't help these new companies that are advancing these new technologies, just help the old companies that learned how to drill for oil 140 years ago in Pennsylvania. That is an old technology. It's a horse-and-buggy technology. It's worked really well. Gasoline is a great fuel, except for its global warming capacity.

The third e-mail I want to mention; yesterday afternoon I received an e-mail from the Ausra Energy Company that announced that they are opening their first solar thermal plant—in California, I believe—in about 2 or 3 weeks. Now, solar thermal energy is where you use mirrors to concentrate the sun's light; you generate heat; you heat water or oil; and you generate steam power based electricity. It has a potential to be energy just as cheap as coal-fired electricity in the next decade.

These people are for real. They have multiple million dollars of capital funding; they have now signed contracts in Florida and California to provide electricity for almost 400,000 homes. These are the breakthrough projects that we need to foster rather than going back to just the old technology.

And my concern about what my friends across the aisle are proposing is that we are proposing to really chain ourselves to the past here while the rest of the world is moving ahead. You know, we're in a race right now. We were in a space race in the sixties, and we won because we had leadership from John F. Kennedy who said, let's beat the Russians, let's go to the moon in 10 years. Now we need some leadership from this building to say, let's beat the Germans in solar cell technology, let's beat the Danes in wind turbine technology. Let's be the company that gets the Nano Solars and the Ausras of the world to start selling products to China.

And I'll tell you another place we can get gasoline from, from the Sapphire Energy Company. It's a company in Washington and California that just raised about $50 million. And they have an algae-based material that can make, not ethanol, not biodiesel, but gasoline, gasoline just like you put in your tank today. Now, there's a company that could use a step forward so that, instead of having to drill in these environmentally sensitive areas, we can produce our own fuel without competing with food crops. And that product can be mass produced probably sooner than we can get major league drilling going in offshore areas.

Now, that is not a guarantee, it is not a guarantee. None of these new technologies are lead pipe cinches. But they have very good prospects of success, they have attracted very significant private capital, and we know that they have a chance to do what we need, domestically produce clean energy that doesn't destroy the planet through climate change.

And so we have adopted a position of assisting these breakthrough technologies, allowing drilling to continue in the United States where it has been leased. And there are 68 million acres today of public land owned by the United States Federal Government that has been leased to the oil and gas companies where they are fully capable of drilling wells, and they have not done so. In fact, there has been a lot of talk about the Arctic. Five out of the six oil companies that are drilling oil in any major league way internationally have no interest in the Arctic because it's too expensive to get to. We haven't even talked about cost associated with these things.

So we believe this country is ready for a bold new vision, and we're ready to tackle that. And that's why my new Apollo energy project, the Bart Stupak bill, that will bring these speculators into the bright light of regulation so they don't do to us what Enron did to Washington and Oregon and California, that's a vision for this country, and we're ready to rock and roll on it. We're looking forward to a new President so we can get on with that job.

I yield to Mr. BLUMENAUER.

Mr. BLUMENAUER. Thank you. And I appreciate your pulling these pieces together, Congressman INSLEE. I think you hit the nail on the head.

I am hopeful that throughout all of this, that we can conduct this debate from this point forward by being honest with the American public. There is no one single cause for what we've seen happen with oil prices—speculation, world market, increased demand, hiccup here, there are a whole host of things that we see. Likewise, there is no one single solution. We need a comprehensive array.

We do want to restrain speculation, whether it's $1 a barrel or $50 a barrel. It's unfair to the American consumer. It's unfair to the industries and small business people, and homeowners that rely on fairly priced petroleum products.

We need to encourage using the energy leases that are out there right now before we consider surrendering our energy future by turning over even more leases. Use the 68 million acres that are available now.

We have to stop wasting more oil than anybody else on the planet. Three times I've had an amendment that has passed in our legislation to close the Hummer loophole, but with our tax code, we're still subsidizing, with your tax dollars, the purchase of the largest, most fuel-inefficient, expensive vehicles, costing the Treasury hundreds of millions of dollars and working against ourselves. We need to change that; something that we have been unable to do with the current configuration, but it has passed the House.

We need to develop new energy sources, not just drain petroleum dry. But we need to be serious about solar, wind, tidal. We need to be serious about new technologies, as you point forward. We need to work on how the land use system is in place. In too much of America it's illegal for somebody who works in a drugstore to live in an apartment above that drugstore. We artificially separate uses.

We have too many long commutes. Too many people have to burn a gallon of gas to buy a gallon of milk. We need to have a more rational and thoughtful approach to a land use system that will make transportation work better.

And last, but not least, we need more transportation choices for Americans, whether it's Amtrak revitalized, streetcars, buses, light rail, heavy rail—God forbid bicycles and pedestrian. They're all part of a mix. And every American ought to have a wider range of choice, and the Federal Government ought to be working to do this.

Mr. INSLEE, I appreciate your joining me this evening. I appreciate your

analysis and your leadership. And if you have any concluding thoughts, I would turn to you at this point before yielding back.

Mr. INSLEE. My only point is that I think it was May 25, 1961, John F. Kennedy stood right there and said we're going to go to the moon. And what we heard today from some of my colleagues across the aisle is, let's just go to Cleveland, that will be enough.

Just being addicted to oil is beneath the bold vision that Americans are asking for right now. And we really have only one hope of significantly reducing gas prices over the long term, and that is to develop sources that are an alternative to oil and gas. We need to no longer be slaves to the oil companies and addicted to the needle of the gas pump. We need to be the masters, where we decide whether we're going to use electricity in our cars or algae-based biofuels that a little algae particle produced, or a combination or those things, or public transportation, as you so radically suggested, or a bicycle, and maybe even walk on occasion, if our minds were into that.

When we have these choices, Americans will be freed from this oil addiction. And until we have those choices, we will not. We stand for giving America those choices. The other side stands for continued addiction for the next several centuries. We'll let the people decide.

Thanks for having this discussion.

Mr. BLUMENAUER. Well said.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. VISCLOSKY (at the request of Mr. HOYER) for today after 6:30 p.m. and June 20, 2008 on account of funeral of a close friend.

Mr. TIAHRT (at the request of Mr. BOEHNER) for today on account of official business.

Mr. WOLF (at the request of Mr. BOEHNER) for today, from 1 p.m. through 4 p.m., on account of giving the commencement address at Potomac Falls High School in his district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HARE) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mr. HASTINGS of Washington) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, June 26.

Mr. JONES of North Carolina, for 5 minutes, June 26.

Mr. BURTON of Indiana, for 5 minutes, June 23, 24, 25, and 26.

Mr. CALVERT, for 5 minutes, June 24, 25, and 26.

Mr. WELDON of Florida, for 5 minutes, today.

Mr. FORBES, for 5 minutes, today.

Ms. FALLIN, for 5 minutes, today.

Mr. WESTMORELAND, for 5 minutes, today.

ADJOURNMENT

Mr. BLUMENAUER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 40 minutes p.m.) the House adjourned until tomorrow, Friday, June 20, 2008, at 9 a.m.

OATH OF OFFICE MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> ''I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.''

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 110th Congress, pursuant to the provisions of 2 U.S.C. 25:

DONNA F. EDWARDS, Maryland, Fourth.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7213. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Antideficiency Act by the Department of the Army, Case Number 06-08, pursuant to 31 U.S.C. 1351 and 1517(b); to the Committee on Appropriations.

7214. A letter from the Secretary, Department of Homeland Security, transmitting a report of a violation of the Antideficiency Act by the Department of Homeland Security, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

7215. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on Foreign Affairs.

7216. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 08-42 concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Israel for defense articles and services; to the Committee on Foreign Affairs.

7217. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 08-68 concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Canada for defense articles and services; to the Committee on Foreign Affairs.

7218. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification of a proposed agreement for the export of technical datata, defense services and defense articles to the Goverment of Mexico (Transmittal No. DDTC 049-08); to the Committee on Foreign Affairs.

7219. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification of a proposed agreement for the export of technical data, defense services and defense articles to the Government of Kuwait (Transmittal No. DDTC 002-08); to the Committee on Foreign Affairs.

7220. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to sections 36(c) and 36(d) of the Arms Export Control Act, certification regarding the proposed license for the manufacture of military equipment and the export of defense articles and services to the Government of Norway (Transmittal No. DDTC 070-08); to the Committee on Foreign Affairs.

7221. A letter from the Ambassador at Large, Department of State, transmitting a letter detailing necessary corrections in the Department's annual report, ''Country Reports on Terrorism 2007''; to the Committee on Foreign Affairs.

7222. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the eighth annual Trafficking in Persons Report, pursuant to Public Law 106-386, section 110; to the Committee on Foreign Affairs.

7223. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report by the U.S. Global AIDS Coordinator on the Involvement of Faith-Based Organizations in Global Fund to Fight AIDS, Tuberculosis, and Malaria Programs, pursuant to Section 625(b) of the Department of State, Foreign Operations, and Related Programs Appropriations Act for Fiscal Year 2008, Pub. L. 110-161; to the Committee on Foreign Affairs.

7224. A letter from the Assistant Director for Policy, OFAC, Department of the Treasury, transmitting the Department's final rule — Alphabetical Listing of Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Specially Designated Global Terrorists, Foreign Terrorist Organizations, and Specially Designated Narcotics Traffickers — received June 17, 2008, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Foreign Affairs.

7225. A letter from the Secretary, Judicial Conference of the United States, transmitting Judicial Conference determination that United States Judge G. Thomas Porteous, Jr., of the Eastern District of Louisiana, has engaged in conduct for which consideration of impeachment may be warranted, pursuant to 28 U.S.C. 355(b)(1); to the Committee on the Judiciary.

7226. A letter from the Assistant Secretary of the Army for Civil Works, Department of

Defense, transmitting the Department's position on the re-authorization of the Upper Guadalupe River, San Jose, California, flood damage reduction project; to the Committee on Transportation and Infrastructure.

7227. A letter from the Assistant Secretary of the Army for Civil Works, Department of Defense, transmitting the Department's final report for the Illinois River Basin Restoration Comprehensive Plan; to the Committee on Transportation and Infrastructure.

7228. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Section 162(m)-Excessive Compensation 26 CFR 1.162-27(e) (Rev. Rul. 2008-32) received June 17, 2008, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7229. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Section 897.—Disposition of investment in United States real property, 26 CFR 1.897-1: Taxation of foreign investment in United States real property interests; definition of terms. (Rev. Rul. 2008-31) received June 17, 2008, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7230. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Section 3402.—Income Tax Collected at Source 26 CFR 31.3402(g)-1: Supplemental Wage Payments (Also: 31.3401(b)-1(a)) (Rev. Rul. 2008-29) received June 17, 2008, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7231. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Change in Reporting Section 404(k) Dividends [Announcement 2008-56] received June 17, 2008, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7232. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 7(a) of the Jerusalem Embassy Act of 1995 (Pub. L. 104-45), a copy of Presidential Determination No. 2008-20 suspending the limitation on the obligation of the State Department Appropriations contained in sections 3(b) and 7(b) of that Act for six months as well as the periodic report provided for under Section 6 of the Act covering the period from December 14, 2007 to the present, pursuant to Public Law 104-45, section 6 (109 Stat. 400); jointly to the Committees on Foreign Affairs and Appropriations.

7233. A letter from the Secretary, Department of Labor, transmitting a copy of a draft bill entitled, the ''Unemployment Compensation Program Integrity Act of 2008''; jointly to the Committees on Ways and Means and Oversight and Government Reform.

7234. A letter from the Administrator, General Services Administration, transmitting a copy of a draft bill entitled, ''The General Services Enhancement Act of 2008''; jointly to the Committees on Oversight and Government Reform, Transportation and Infrastructure, the Judiciary, Armed Services, and Foreign Affairs.

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:

Ms. SLAUGHTER: Committee on Rules. House Resolution 1284. Resolution providing for consideration of the Senate amendments to the House amendments 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 (Rept. 110–720). Referred to the House Calendar.

Mr. ARCURI: Committee on Rules. House Resolution 1285. Resolution providing for consideration of the bill (H.R. 6304) to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, and for other purposes (Rept. 110–721). Referred to the House Calendar.

Mr. FILNER: Committee on Veterans' Affairs. H.R. 2818. A bill to amend title 38, United States Code, to provide for the establishment of Epilepsy Centers of Excellence in the Veterans Health Administration of the Department of Veterans Affairs; with amendments (Rept. 110–722). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 2452. 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; with an amendment (Rept. 110–723). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 5001. A bill to authorize the Administrator of General Services to provide for the redevelopment of the Old Post Office Building located in the District of Columbia; with an amendment (Rept. 110–724). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 6109. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the pre-disaster hazard mitigation program, and for other purposes (Rept. 110–725). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. REYES (for himself, Mr. HOEKSTRA, and Mr. SMITH of Texas):

H.R. 6304. A bill to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. PELOSI:

H.R. 6305. A bill to clarify the authorities for the use of certain National Park Service properties within Golden Gate National Parks and San Francisco Maritime National Historic Park, and for other purposes; to the Committee on Natural Resources.

By Mr. FRANK of Massachusetts:

H.R. 6306. A bill to authorize United States participation in, and appropriations for the United States contributions to, the fifteenth replenishment of the resources of the International Development Association and the eleventh replenishment of the resources of the African Development Fund, and for other purposes; to the Committee on Financial Services.

By Mr. MCDERMOTT (for himself and Mr. WELLER):

H.R. 6307. A bill to amend parts B and E of title IV of the Social Security Act to assist children in foster care in developing or maintaining connections to family, community, support, health care, and school, and for other purposes; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts (for himself, Mr. CAPUANO, and Mr. KANJORSKI):

H.R. 6308. A bill to ensure uniform and accurate credit rating of municipal bonds and provide for a review of the municipal bond insurance industry; to the Committee on Financial Services.

By Mr. ELLISON:

H.R. 6309. A bill to amend the Residential Lead-Based Paint Hazard Reduction Act of 1992 to define environmental intervention blood lead level and establish additional requirements for certain lead hazard screens, and for other purposes; to the Committee on Financial Services.

By Mr. KIND (for himself, Mr. RYAN of Wisconsin, Mr. BOREN, and Mr. PEARCE):

H.R. 6310. A bill to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly; to the Committee on Ways and Means.

By Ms. BORDALLO (for herself, Mr. HASTINGS of Florida, Mr. ABERCROMBIE, Mr. KILDEE, Mr. KLEIN of Florida, Ms. MCCOLLUM of Minnesota, and Mr. KIND):

H.R. 6311. A bill to prevent the introduction and establishment of nonnative wildlife species that negatively impact the economy, environment, or human or animal species' health, and for other purposes; to the Committee on Natural Resources.

By Mr. KANJORSKI (for himself, Mr. MOORE of Kansas, and Mr. ROYCE):

H.R. 6312. A bill to advance credit union efforts to promote economic growth, modify credit union regulatory standards and reduce burdens, to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes; to the Committee on Financial Services.

By Mr. ETHERIDGE:

H.R. 6313. A bill to amend the Safe Drinking Water Act to reauthorize the technical assistance to small public water systems; to the Committee on Energy and Commerce.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mr. HONDA, Ms. BERKLEY, Ms. HIRONO, Mr. REYES, Mr. BAIRD, and Mr. GRIJALVA):

H.R. 6314. A bill to increase awareness of the existence of and to overcome gender bias in academic science and engineering through research and training, and for other purposes; to the Committee on Science and Technology.

By Ms. MOORE of Wisconsin (for herself, Mr. ISRAEL, Mr. FRANK of Massachusetts, and Mr. SHAYS):

H.R. 6315. A bill to authorize United States participation in, and appropriations for the United States contribution to, an international clean technology fund, and for other purposes; to the Committee on Financial Services.

By Mr. DOGGETT (for himself, Mr. BLUMENAUER, Mr. VAN HOLLEN, Mr. EMANUEL, Mr. LARSON of Connecticut, Ms. DELAURO, Mr. GEORGE MILLER of California, Ms. SLAUGHTER, Mr. BRADY of Pennsylvania, Ms. WASSERMAN SCHULTZ, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Mr. OLVER, Mr. HOLT, Mr. STARK, Ms. BERKLEY, Ms. SCHWARTZ, Mr. CROWLEY, Mr. MCNULTY, Mr. MEEK of Florida, Mr. MORAN of Virginia, Mr. PASCRELL,

Mr. THOMPSON of California, Mr. CONYERS, Mrs. JONES of Ohio, Mr. ACKERMAN, Mr. BISHOP of New York, Mr. CAPUANO, Ms. CASTOR, Mr. CHANDLER, Ms. CLARKE, Mr. CLEAVER, Mr. COHEN, Mr. COURTNEY, Mr. DAVIS of Illinois, Mr. ELLISON, Mr. FARR, Mr. FILNER, Mr. GUTIERREZ, Mr. HARE, Mr. HINCHEY, Ms. HIRONO, Mr. HONDA, Mr. ISRAEL, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JOHNSON of Georgia, Mr. KENNEDY, Mr. KLEIN of Florida, Mr. KUCINICH, Ms. LEE, Ms. ZOE LOFGREN of California, Mrs. MALONEY of New York, Mr. MCGOVERN, Ms. MOORE of Wisconsin, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Mr. PAYNE, Ms. LORETTA SANCHEZ of California, Mr. SCHIFF, Mr. SESTAK, Mr. SHERMAN, Mrs. TAUSCHER, Ms. TSONGAS, Ms. WATERS, Ms. WATSON, Mr. WELCH of Vermont, Mr. WEXLER, Ms. WOOLSEY, Mr. WU, Mr. YARMUTH, Mr. THOMPSON of Mississippi, Mr. HASTINGS of Florida, Mr. GRIJALVA, Mr. FATTAH, and Mr. DELAHUNT):

H.R. 6316. A bill to reduce global greenhouse gas emissions through the creation of a domestic carbon market and international trade measures, and to direct the revenue therefrom to public interests; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Foreign Affairs, Science and Technology, Financial Services, Education and Labor, Natural Resources, Agriculture, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. DRAKE:

H.R. 6317. A bill to amend chapter 31 of title 40, United States Code (commonly known as the Davis-Bacon Act) to provide an exemption from the prevailing wage requirements for certain non-profit organizations; to the Committee on Education and Labor.

By Mr. HIGGINS:

H.R. 6318. A bill to designate a portion of United States Route 20A, located in Orchard Park, New York, as the ''Timothy J. Russert Highway''; to the Committee on Transportation and Infrastructure.

By Mr. HILL:

H.R. 6319. A bill to establish the Commission on Affordable Health Care to study and provide recommendations for establishing a health care system to provide affordable health care to all citizens of the United States and for the roles of certain health care entities in providing such services under such system, and to provide for expedited Congressional consideration of such recommendations; to the Committee on Energy and Commerce, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY (for himself, Mrs. WILSON of New Mexico, Mrs. CAPPS, Ms. SOLIS, and Mr. FRANK of Massachusetts):

H.R. 6320. A bill to ensure that individuals with disabilities have access to emerging Internet Protocol-based communication and video programming technologies in the 21st Century; to the Committee on Energy and Commerce.

By Mr. MCHUGH:

H.R. 6321. A bill to amend the Internal Revenue Code of 1986 to provide a refundable credit against income tax to assist individuals with high residential energy costs; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 6322. A bill to amend the District of Columbia School Reform Act of 1995 to permit the District of Columbia government to exercise authority over the Public Charter School Board in the same manner as the District government may exercise authority over other entities of the District government; to the Committee on Oversight and Government Reform.

By Mr. SENSENBRENNER (for himself, Mrs. BIGGERT, Mr. MARIO DIAZ-BALART of Florida, Mr. EHLERS, and Mr. SMITH of Texas):

H.R. 6323. A bill to establish a research, development, demonstration, and commercial application program to promote research of appropriate technologies for heavy duty plug-in hybrid vehicles, and for other purposes; to the Committee on Science and Technology.

By Mr. UDALL of Colorado (for himself and Mr. PERLMUTTER):

H.R. 6324. A bill to facilitate the importation of ethanol; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 6325. A bill to require the Administrator of the Environmental Protection Agency to establish a plan to reduce the total amount of packaging used on consumer products in the United States; to the Committee on Energy and Commerce.

By Ms. WOOLSEY:

H.R. 6326. A bill to provide for a Federal employees program to authorize the use of leave by caregivers for family members of certain individuals performing military service, and for other purposes; to the Committee on Oversight and Government Reform, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WAMP (for himself and Mr. ELLISON):

H. Con. Res. 374. Concurrent resolution supporting the spirit of peace and desire for unity displayed in the letter from 138 leading Muslim scholars, and in the Pope's response; to the Committee on Foreign Affairs.

By Ms. SLAUGHTER:

H. Res. 1284. Resolution providing for consideration of the Senate amendments to the House amendments 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; considered and agreed to.

By Mr. LEWIS of Georgia (for himself and Mr. JOHNSON of Georgia):

H. Res. 1286. A resolution recognizing and celebrating the 20th anniversary of the National Black Arts Festival; to the Committee on Education and Labor.

By Mr. MORAN of Kansas (for himself, Mr. HOBSON, and Mr. SHULER):

H. Res. 1287. A resolution commending the Honor Flight Network, its volunteers, and donors, for enabling World War II veterans to travel to our Nation's capital to see the World War II Memorial created in their honor; to the Committee on Veterans' Affairs.

By Mr. SESTAK (for himself, Mr. COSTA, Mrs. GILLIBRAND, Mrs. MCCARTHY of New York, and Mr. RAMSTAD):

H. Res. 1288. A resolution supporting the goals and ideals of National Campus Safety Awareness Month; to the Committee on Education and Labor.

By Mr. SHAYS (for himself and Mr. PERLMUTTER):

H. Res. 1289. A resolution urging the President to direct the Commodity Futures Trading Commission to work with the United Kingdom Financial Services Authority to establish position limits on oil futures traded by traders on the Intercontinental Exchange that are similar to those established by the Commodity Futures Trading Commission for traders on the New York Mercantile Exchange; to the Committee on Agriculture.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 74: Mr. GOODLATTE.
H.R. 154: Ms. WATERS, Mr. RYAN of Ohio, Ms. RICHARDSON, and Mrs. LOWEY.
H.R. 503: Mr. WATT.
H.R. 554: Mr. WAXMAN.
H.R. 760: Mr. BISHOP of New York.
H.R. 821: Ms. WOOLSEY.
H.R. 823: Mr. FOSTER.
H.R. 1050: Mr. RUSH and Mr. COHEN.
H.R. 1070: Mr. REYES.
H.R. 1228: Mr. CLEAVER.
H.R. 1321: Mr. BURGESS.
H.R. 1399: Mr. CAZAYOUX.
H.R. 1405: Mr. ROTHMAN.
H.R. 1420: Ms. SOLIS and Mr. CARSON.
H.R. 1476: Mr. HELLER.
H.R. 1552: Mrs. LOWEY.
H.R. 1589: Ms. ROS-LEHTINEN.
H.R. 1610: Mr. KING of Iowa, Ms. ZOE LOFGREN of California, Mr. MCDERMOTT, Mr. HILL, and Mr. HODES.
H.R. 1621: Mr. ELLSWORTH.
H.R. 1647: Mr. SESTAK.
H.R. 1732: Mr. BISHOP of Georgia.
H.R. 1738: Mr. BLUMENAUER.
H.R. 1770: Mr. DAVID DAVIS of Tennessee.
H.R. 1809: Mr. CARSON.
H.R. 2012: Mr. MOLLOHAN and Mr. BOREN.
H.R. 2123: Mr. CARSON.
H.R. 2165: Mr. MILLER of North Carolina.
H.R. 2169: Mrs. CHRISTENSEN.
H.R. 2244: Mrs. LOWEY.
H.R. 2260: Mr. BOREN.
H.R. 2279: Mr. KELLER, Mr. MCCARTHY of California, Mr. HASTINGS of Washington, Mrs. BLACKBURN, and Mr. MARIO DIAZ-BALART of Florida.
H.R. 2325: Mr. HOLDEN.
H.R. 2343: Mr. KILDEE, Mr. WU, and Mr. MURTHA.
H.R. 2371: Ms. SOLIS.
H.R. 2376: Mr. KLINE of Minnesota.
H.R. 2407: Ms. BORDALLO.
H.R. 2520: Mr. CARSON.
H.R. 2558: Mrs. CUBIN and Ms. PRYCE of Ohio.
H.R. 2606: Mr. PLATTS.
H.R. 2611: Mr. CARSON and Mr. SESTAK.
H.R. 2670: Mr. MARCHANT.
H.R. 2689: Mr. PASTOR.
H.R. 2762: Mr. EHLERS.
H.R. 2802: Mr. PICKERING.
H.R. 2833: Mr. HINOJOSA and Mr. HOLT.
H.R. 2842: Mr. RUSH.
H.R. 2880: Mr. FORTENBERRY.
H.R. 3008: Mr. GRIJALVA.
H.R. 3010: Mr. DICKS.
H.R. 3024: Mr. PRICE of North Carolina and Mr. LEVIN.
H.R. 3089: Mr. HASTINGS of Washington.
H.R. 3098: Mr. ROSS.
H.R. 3175: Ms. ESHOO.
H.R. 3219: Mr. ANDREWS.
H.R. 3286: Mr. WU.
H.R. 3289: Ms. RICHARDSON, Mr. THOMPSON of California, Mr. CLYBURN, Mr. MITCHELL, Ms. SLAUGHTER, and Mr. TAYLOR.
H.R. 3319: Ms. LINDA T. SÁNCHEZ of California.
H.R. 3334: Mr. BLUMENAUER.

H.R. 3366: Mr. CLEAVER and Mr. CARSON.
H.R. 3401: Mr. CLEAVER.
H.R. 3452: Mr. GALLEGLY.
H.R. 3458: Mr. KUHL of New York.
H.R. 3487: Mr. RANGEL.
H.R. 3546: Mr. SHERMAN.
H.R. 3563: Ms. NORTON.
H.R. 3622: Mr. MCCAUL of Texas and Mr. SHUSTER.
H.R. 3652: Mr. HODES.
H.R. 3654: Mr. CAZAYOUX.
H.R. 3750: Mr. EMANUEL.
H.R. 3896: Ms. HIRONO.
H.R. 3995: Mr. BOOZMAN, Mr. DANIEL E. LUNGREN of California, Mr. DAVIS of Illinois, Mr. LEWIS of Georgia, and Mr. GUTIERREZ.
H.R. 4066: Mr. SHAYS.
H.R. 4138: Mr. REICHERT.
H.R. 4183: Mrs. CHRISTENSEN, Mr. BRADY of Pennsylvania, and Ms. JACKSON-LEE of Texas.
H.R. 4335: Mr. FOSTER and Mr. BARROW.
H.R. 4450: Ms. SCHAKOWSKY and Mr. KING of New York.
H.R. 4453: Ms. WATSON.
H.R. 4460: Mr. GERLACH.
H.R. 4461: Mrs. MALONEY of New York.
H.R. 4544: Mr. ISSA, Mr. MCDERMOTT, Mrs. Davis of California, Mr. BURGESS, Mr. WALZ of Minnesota, Ms. HIRONO, Mr. BISHOP of Georgia, Mr. HOLT, Mr. PEARCE, Mr. TIBERI, and Mr. BISHOP of Utah.
H.R. 4987: Mr. BARTLETT of Maryland.
H.R. 5038: Mr. MCGOVERN.
H.R. 5155: Mr. ALTMIRE.
H.R. 5176: Mr. AL GREEN of Texas, Mr. VAN HOLLEN, Mr. VISCLOSKY, and Mr. PASTOR.
H.R. 5244: Ms. LINDA T. SÁNCHEZ of California.
H.R. 5353: Mr. DOYLE, Mrs. LOWEY, and Mr. CARSON.
H.R. 5435: Mr. BACA and Mr. GUTIERREZ.
H.R. 5454: Mr. BOREN.
H.R. 5467: Mr. HOLDEN, Mrs. GILLIBRAND, Mr. LINCOLN DAVIS of Tennessee, Mr. ROSS, Mr. BOSWELL, Mr. WILSON of Ohio, Ms. LORETTA SANCHEZ of California, and Mr. PASCRELL.
H.R. 5469: Mr. HARE.
H.R. 5488: Mr. CARSON and Mr. FARR.
H.R. 5496: Mr. RUSH.
H.R. 5516: Mr. BRADY of Pennsylvania, Mr. WALBERG, Mr. SESTAK, Mr. CARSON, Mr. ENGLISH of Pennsylvania, M. HODES, Mr. MCNERNEY, Mr. HOLDEN, Mr. GENE GREEN of Texas, Mr. LAMPSON, and Mr. DOYLE.
H.R. 5532: Mr. PRICE of North Carolina.
H.R. 5534: Mr. KIRK, Mr. BARTLETT of Maryland, and Mr. TOM DAVIS of Virginia.
H.R. 5535: Ms. MOORE of Wisconsin, Mr. PAYNE, Mrs. MALONEY of New York, Ms. WOOLSEY, Mr. ALLEN, Mrs. DAVIS of California, Mr. LOEBSACK, Mr. HINCHEY, Ms. LEE, Mr. MEEKS of New York, Mr. COHEN, Mr. MCGOVERN, Ms. SCHAKOWSKY, Mr. BLUMENAUER, Mr. JACKSON of Illinois, and Mr. PALLONE.
H.R. 5546: Mr. VISCLOSKY.
H.R. 5559: Mr. HELLER and Mr. KLINE of Minnesota.
H.R. 5564: Mrs. MCMORRIS RODGERS.
H.R. 5591: Mr. KLINE of Minnesota.
H.R. 5602: Ms. SUTTON and Ms. BALDWIN.
H.R. 5603: Mr. CARNEY.
H.R. 5611: Mr. HODES and Mr. MELANCON.
H.R. 5632: Ms. HIRONO, Ms. ESHOO, Mr. GRIJALVA, and Mr. HINCHEY.
H.R. 5660: Ms. HIRONO and Mr. STARK.
H.R. 5674: Mr. JOHNSON of Georgia.
H.R. 5709: Mr. GOODE and Mr. ALTMIRE.
H.R. 5731: Mr. DUNCAN.
H.R. 5737: Mr. MARIO DIAZ-BALART of Florida and Mr. HASTINGS of Washington.
H.R. 5739: Ms. JACKSON-LEE of Texas.
H.R. 5760: Mr. BOOZMAN.
H.R. 5767: Mr. ABERCROMBIE and Mr. LYNCH.
H.R. 5793: Mr. CALVERT and Mr. INSLEE.
H.R. 5821: Mr. FLAKE.
H.R. 5854: Mr. SCHIFF and Mr. COBLE.
H.R. 5881: Ms. LINDA T. SÁNCHEZ of California.
H.R. 5898: Ms. JACKSON-LEE of Texas.
H.R. 5908: Mr. CALVERT.
H.R. 5925: Mr. SKELTON and Ms. KAPTUR.
H.R. 5927: Mr. SHAYS.
H.R. 5942: Mr. BLUMENAUER and Mr. TIBERI.
H.R. 5971: Mr. DUNCAN.
H.R. 5984: Mr. FORTUÑO, Mr. GOHMERT, Mr. WESTMORELAND, Mr. GOODE, Mr. FEENEY, Mr. BILBRAY, Mr. WALBERG, Mr. COLE of Oklahoma, Mr. ROGERS of Kentucky, Mr. BRADY of Texas, Mr. KLINE of Minnesota, Mr. RENZI, Mr. KING of Iowa, Mr. WOLF, Mr. HOBSON, Mr. LUCAS, Mr. MCCARTHY of California, and Mr. THORNBERRY.
H.R. 5987: Mr. PLATTS.
H.R. 5990: Mr. SMITH of Washington.
H.R. 6032: Mr. BISHOP of Georgia.
H.R. 6057: Mr. CARSON.
H.R. 6064: Mrs. NAPOLITANO, Ms. WATSON, Ms. LEE, Mr. CARNAHAN, Mrs. MALONEY of New York, Mrs. MILLER of Michigan, Mr. KLEIN of Florida, Ms. BERKLEY, Mr. DELAHUNT, and Mr. BLUMENAUER.
H.R. 6076: Mr. BOSWELL.
H.R. 6089: Mr. GRIJALVA, Mr. MARKEY, Mr. COHEN, Mr. RUSH, and Mrs. SCHMIDT.
H.R. 6107: Mr. BOYD of Florida, Mr. TIBERI, Mr. FORTUÑO, Mr. HASTINGS of Washington, and Mr. MCCARTHY of California.
H.R. 6108: Mr. MCCARTHY of California, Mr. KELLER, and Mr. FORTUÑO.
H.R. 6133: Mr. MCCARTHY of California.
H.R. 6138: Mr. PETERSON of Pennsylvania and Mr. MCCARTHY of California.
H.R. 6144: Mr. CLEAVER.
H.R. 6151: Mr. DEFAZIO.
H.R. 6160: Mr. PASTOR, Mr. MILLER of North Carolina, and Mr. SESTAK.
H.R. 6170: Mr. SHUSTER.
H.R. 6180: Mr. DINGELL.
H.R. 6192: Mr. TANCREDO and Mr. BURTON of Indiana.
H.R. 6199: Mr. BISHOP of New York, Ms. CLARKE, and Mr. SERRANO.
H.R. 6205: Ms. BALDWIN.
H.R. 6209: Mr. ISSA and Ms. WATSON.
H.R. 6210: Ms. DEGETTE, Mr. CHILDERS, and Mr. EMANUEL.
H.R. 6211: Mr. DUNCAN, Mrs. BACHMANN, Mr. GINGREY, and Mr. CALVERT.
H.R. 6219: Mr. LATTA, Mrs. BLACKBURN, Mr. WAMP, Mr. PENCE, Mr. GALLEGLY, Mr. PUTNAM, Mr. GARRETT of New Jersey, Mr. KINGSTON, Mr. DAVID DAVIS of Tennessee, Mrs. BACHMANN, Mr. GOODE, Mr. FEENEY, Ms. FOXX, Mr. KING of Iowa, Mr. BARTLETT of Maryland, Mr. DAVIS of Kentucky, Mr. RYAN of Wisconsin, Mr. GOHMERT, Mr. WESTMORELAND, Mr. BARRETT of South Carolina, Mr. PRICE of Georgia, and Mr. JORDAN.
H.R. 6220: Mr. TERRY and Ms. PRYCE of Ohio.
H.R. 6224: Mr. GRIJALVA.
H.R. 6233: Mr. WITTMAN of Virginia.
H.R. 6234: Mr. DAVID DAVIS of Tennessee.
H.R. 6251: Mr. WELCH of Vermont, Mr. ARCURI, and Mr. BLUMENAUER.
H.R. 6256: Mr. SIRES, Mr. SCHIFF, Mr. ARCURI, Mr. ROTHMAN, Mr. SPACE, Mr. ISRAEL, AND MR. LIPINSKI.
H.R. 6261: Mr. LOEBSACK.
H.R. 6265: Mr. KUHL of New York.
H.R. 6268: Mr. PERLMUTTER and Ms. DEGETTE.
H.R. 6287: Mr. DONNELLY.
H.J. Res. 39: Mrs. SCHMIDT.
H.J. Res. 50: Mr. HARE, Mr. SAXTON, Mr. DAVIS of Kentucky, Mr. ORTIZ, Mr. FARR, Ms. BORDALLO, Mr. BRADY of Pennsylvania, Mr. SPRATT, Mr. MCGOVERN, Mr. REYES, and Mr. WILSON of South Carolina.
H.J. Res. 67: Mr. FORBES.
H.J. Res. 79: Mr. WAXMAN, Mr. BISHOP of New York, and Mr. LIPINSKI.
H.J. Res. 89: Mr. RADANOVICH.
H. Con. Res. 163: Mr. ALTMIRE and Mr. CRENSHAW.
H. Con. Res. 244: Mr. LYNCH, Mr. FATTAH, and Mrs. MCCARTHY of New York.
H. Con. Res. 250: Mr. MARCHANT.
H. Con. Res. 296: Mr. EHLERS, Mr. BROUN of Georgia, Mr. BILBRAY, Mr. BUCHANAN, Mr. RUSH, Mr. PETRI, Mrs. MYRICK, Mr. BARRETT of South Carolina, Mr. PLATTE, Mr. BUYER, Mr. HELLER, and Mr. ENGLISH of Pennsylvania.
H. Con. Res. 342: Mr. MILLER of Florida, Mrs. MUSGRAVE, Mr. GOODE, Ms. ESHOO, and Mr. MITCHELL.
H. Con. Res. 356: Mr. BOOZMAN.
H. Con. Res. 360: Ms. LINDA T. SÁNCHEZ of California.
H. Con. Res. 364: Ms. LINDA T. SÁNCHEZ of California, and Ms. HIRONO.
H. Con. Res. 369: Mr. KIRK, Mr. CALVERT, and Mr. KING of New York.
H. Res. 55: Ms. LINDA T. SÁNCHEZ of California.
H. Res. 97: Mr. SCHIFF.
H. Res. 281: Mr. MCINTYRE.
H. Res. 353: Mr. TIERNEY, Ms. DEGETTE, Mr. HONDA, Ms. SOLIS, Mr. DENT, and Ms. WATERS.
H. Res. 415: Mrs. GILLIBRAND.
H. Res. 870: Mr. SARBANES.
H. Res. 883: Ms. SOLIS and Mr. NADLER.
H. Res. 970: Mr. HALL of Texas, Mr. JOHNSON of Illinois, Mr. TIAHRT, Mr. UPTON, Mr. HOEKSTRA, Mr. LIPINSKI, Mr. EHLERS, Mr. MORAN of Kansas, Mr. CAMP of Michigan, Mr. DAVID DAVIS of Tennessee, Mr. WELLER, Mr. TERRY, Mr. CAMPBELL of California, Mrs. BLACKBURN, Mr. DAVIS of Kentucky, Mrs. CUBIN, Mr. KIRK, Mr. RADANOVICH, Mr. MANZULLO, Mr. TIM MURPHY of Pennsylvania, Mr. SULLIVAN, Mr. REHBERG, Mr. HAYES, Ms. ESHOO, Mr. SHUSTER, Mrs. MYRICK, Mr. GERLACH, Mr. PICKERING, Mr. FOSSELLA, Mr. BARRETT of South Carolina, Mr. ENGLISH of Pennsylvania, and Mr. BRADY of Texas.
H. Res. 988: Ms. ESHOO, Mr. ENGEL, Mr. GONZALEZ, Ms. SOLIS, Mr. TERRY, and Mr. BUYER.
H. Res. 1019: Mr. MCGOVERN, Mr. HONDA, and Mr. ROTHMAN.
H. Res. 1143: Mr. BOOZMAN and Mr. ISSA.
H. Res. 1151: Mr. HOLDEN, Mrs. CAPITO, Ms. BORDALLO, Mr. DAVIS of Kentucky, Mr. PLATTS, Mr. WALSH of New York, Mr. SHULER, and Mr. LIPINSKI.
H. Res. 1161: Mr. SESTAK and Mr. JOHNSON of Georgia.
H. Res. 1231: Mr. COBLE, Mr. KILDEE, Mr. BOSWELL, Mr. FEENEY, Mr. PATRICK MURPHY of Pennsylvania, Mr. LINCOLN DAVIS of Tennessee, Mr. HOLDEN, Mr. MOORE of Kansas, Mr. BOYD of Florida, Mr. SCHIFF, Mr. ELLSWORTH, Mr. BROWN of South Carolina, Mr. COHEN, Mr. BOOZMAN, Mr. BISHOP of New York, Mrs. MYRICK, Mr. THOMPSON of California, Mr. BISHOP of Georgia, Mr. RODRIGUEZ, Mr. MELANCON, Mr. ARCURI, Mr. KIND, Mr. BACA, Mrs. BOYDA of Kansas, Mr. MORAN of Kansas, Mr. TANNER, Mr. MCINTYRE, Ms. BERKLEY, Mrs. LOWEY, Mr. GALLEGLY, Mr. SNYDER, Mr. CHANDLER, Mr. MAHONEY of Florida, Mrs. GILLIBRAND, Mr. BILBRAY, Mr. WELCH of Vermont, Mr. WILSON of Ohio, and Mr. ROSS.
H. Res. 1248: Mrs. DAVIS of California, Mr. CARNEY, Mr. MURPHY of Connecticut, Mr. BILBRAY, and Mrs. GILLIBRAND.
H. Res. 1249: Mr. MILLER of North Carolina.
H. Res. 1271: Ms. BORDALLO, Mrs. MCCARTHY of New York, Mr. CARSON, and Mr. CALVERT.
H. Res. 1282: Mr. BARRETT of South Carolina, Mr. WILSON of South Carolina, Mr. BOOZMAN, Mr. ROSKAM, Mr. MCHENRY, Mr. BONNER, Ms. FOXX, and Mr. BISHOP of Utah.
H. Res. 1283: Mr. COOPER, Mr. COHEN, Mr. WOLF, Mr. ROGERS of Kentucky, Mr. MCINTYRE, Mr. HALL of Texas, Mr. MOORE of Kansas, and Mr. BILBRAY.

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. CONYERS

The provisions in H.R. 6304, the FISA Amendments Act of 2008, that warranted a referral to the Committee on the Judiciary do 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.

OFFERED BY MR. REYES

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 6304, the FISA Amendments Act of 2008, 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.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 6041: Mr. CARTER, Mr. SESSIONS, Mr. MARCHANT, Ms. GRANGER, and Mr. CONAWAY.

H. Res. 356: Mr. CONAWAY.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

279. The SPEAKER presented a petition of the Common Council of the City of Ithaca, New York, relative to a Resolution calling for talks to begin as early as possible between the Chinese Government and His Holiness the Dalai Lama to discuss ending the respression of Tibetan demonstrations; to the Committee on Foreign Affairs.

280. Also, a petition of the Common Council of the City of New Britain, Connecticut, relative to Resolution No. 30074 expressing opposition to the war in Iraq after it's misleading and deceptive methods of garnering initial support; jointly to the Committees on Armed Services and Foreign Affairs.

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PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, SECOND SESSION

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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable MARK L. PRYOR, a Senator from the State of Arkansas.

PRAYER

The PRESIDING OFFICER. Today's prayer will be offered by Rev. Ralph Lord Roy of Southington, CT.

The guest Chaplain offered the following prayer:

Let us pray.

Almighty God, creator of this magnificent universe and fount of all wisdom, we offer our thanks for life and liberty and for those many benefits that we too often take for granted. Bless our beloved Nation that as one people of many colors and creeds, we may dwell together in mutual respect and harmony. Be with fellow Americans in distant places and especially men and women serving our country overseas. Bless those around the world who hunger and thirst, the sick and sorrowful, and victims of natural disasters, of prejudice and oppression.

Guide this Senate, O Lord. Grant that its Members and those who assist them may be filled with prudence and foresight as they confront the complex challenges of our time. Bless all others in high office, and let the light of freedom and the lamp of justice shine brightly here and around the globe. Grant peace to our lives, to our homes, to our communities, to our Nation, and to humankind everywhere.

We ask this in Your Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK L. PRYOR led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 19, 2008.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK L. PRYOR, a Senator from the State of Arkansas, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. PRYOR 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, I will yield in a brief minute to the distinguished Senator from Connecticut so he can say some words about the guest Chaplain and his thoughtful prayer this morning.

Following leader remarks—and it does not appear there will be any—the Senate will resume consideration of the motion to proceed to H.R. 6049, the Renewable Energy and Job Creation Act, with Senators permitted to speak for up to 10 minutes each, but we expect to begin legislating on the housing legislation today.

Mr. President, what I would like to do is yield to the Senator from Connecticut so he can say some words about our distinguished visiting guest Chaplain.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

THE GUEST CHAPLAIN

Mr. DODD. Mr. President, it is truly a privilege and pleasure this morning to welcome to the Senate a remarkable individual who opened the Senate with a prayer this morning. He has lived an equally remarkable life and today resides in the community of Southington, CT.

In the 80 years we have enjoyed the fortune of having the Reverend Ralph Lord Roy in our midst, he has been an author and columnist, an activist, a teacher, and a radio host, and, of course, a pastor to some 12 different churches and ministries in New York and for some 36 years in Connecticut. At each stop along the way, he has spread the same message: one of justice and tolerance in the face of fear, resentment, anger, and prejudice.

In 1961, as part of the Congress of Racial Equality, Reverend Roy was one of the fabled ''Freedom Fighters'' who traveled to protest segregation policies in the South, for which he was arrested in Tallahassee.

A year later, he led a prayer pilgrimage to Albany, GA, at Martin Luther King's personal request. For his peaceful protests there, praying for the cause of desegregation, Reverend Roy was also arrested. In leading the largest group of clergy to be arrested in American history in Albany, GA, Reverend Roy became the first Caucasian Methodist minister in our Nation to be imprisoned for standing up for the civil rights of all Americans. The message he and his fellow clergy men and women sent at that moment—some 75 Jewish and Catholic laymen and clerics, most of them White, standing peacefully in solidarity with Dr. Martin Luther King on the sidewalk before the Albany City Hall—reverberates to this very day. It echoes in the books and articles that Reverend Roy has penned on social and faith issues and in his powerful and personal accounts of his experiences with the slain civil rights leader. It echoes as well in his

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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radio shows and travels across the world. And today, of course, it echoes in the Halls of the Senate.

A remarkable 80 years, making a significant contribution to the improvement and the betterment of our great country. So it is truly an honor to welcome Reverend Roy from Southington, CT, who has opened our Senate session this morning with his wonderful, thoughtful prayer. We wish him and his family the very best, and we thank him for his wonderful contributions to our country.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RENEWABLE ENERGY AND JOB CREATION ACT OF 2008—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 6049, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to Calendar No. 767, H.R. 6049, an act to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief, and for other purposes.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSING AND ECONOMIC RECOVERY ACT OF 2008

Mr. DODD. Mr. President, let me begin by thanking the majority leader, Senator HARRY REID of Nevada; the Republican leader, Senator MITCH MCCONNELL of Kentucky; and the respective Members of our two parties, but particularly the leadership for their ability to make it possible for us to move forward on this very important piece of housing legislation. We have been at this for some time.

Every Member in this Chamber, as well as the American people, realize the seriousness of the problem we face as a nation. We have a serious economic crisis in the country, and the heart of that economic crisis is the housing crisis. The heart of the housing crisis is the foreclosure crisis.

Let me begin this discussion by noting that several months ago on two previous occasions we dealt with housing legislation—which I will point out is a part of this larger package today—and at that time we were having about 7,100 foreclosures a day. At least that was the number of filings of foreclosures when I first announced the level of foreclosures that were occurring. The numbers from May have just come in. The numbers are now close to 8,500, or 1,500 more than they were even 1 month ago. So we are now approaching 9,000 filings of foreclosures on a daily basis in our country.

In light of these numbers, I hope no one will suggest the problem is not a serious and growing one. We have not even hit July 1 yet when, of course, we realize the resets on some of these adjustable rate mortgages will begin to kick in; and as they do, we are warned by those following this issue almost on an hourly basis that the tidal wave of foreclosures will increase in the coming months, not decrease.

Obviously, with 1.5 million people who have already lost their homes, we are talking about a problem that is now spreading to commercial lending, municipal financing, student loans, and even having global implications as well for those who purchased these mortgage-backed securities. This is not confined to our own country. These were being purchased across the globe. So the problem begins with the foreclosure crisis, and yet the effects of it have spread far beyond the individual home, which is obviously the heart of most people's dreams in our country.

So the fact we were able to have our leadership, and Senator SHELBY will obviously speak for himself, but both of us, I can say with confidence, are very grateful to Senators REID and MCCONNELL for making it possible for us to move forward on this legislation.

I will guarantee that if I were able to write this bill all on my own, it would look different. And I promise that Senator SHELBY would probably write a different bill himself. But we don't live in a world where we get to write these things on our own. We serve in a body with 100 Members, and we have to work closely with others in the Chamber and the other body with 435 Members. We have a White House and an administration with which we have to deal. There are also, obviously, private interests around the country, from consumer groups and lending institutions, all having a deep interest in what we are trying to put together. So it is no easy task to cobble together a piece of legislation that will allow us to deal with this crisis, get us back on our feet again, restore some confidence and optimism among the American people so we can see capital begin to flow again, and thus wring ourselves out of this foreclosure issue and begin to see our economy grow and prosper.

That is what brings us to this very moment. I can't begin to express my gratitude to Senator SHELBY, who is the former chairman of this committee, to the members on the Democratic side of the Banking Committee, beginning with Senator TIM JOHNSON of South Dakota, along with, of course, the Republican members as well. On two previous occasions we have brought forth pieces of legislation that have been adopted overwhelmingly by this body with 84 votes on the first bill and 90 votes on the second.

On the matter that will be a part of this bill, which has not been considered by the full Chamber, it passed our Banking Committee 19 to 2 back on May 20. So we come to this day having spent a great deal of time working with our colleagues, listening and working with the Members of the other body, as well as those who bring unique and special expertise to these very complicated issues. That is what we hope in the coming days to be able to complete, send our product to the other body, and hope they will endorse and support it, and then send the bill to the President for his signature.

With that as background, let me share a few thoughts about what are in these bills. As I mentioned already, most of what we are talking about has been voted on overwhelmingly by the Members of this body. On April 10, the Senate passed the Foreclosure Prevention Act of 2008, and passed it by an overwhelming majority. At that time, I shared my view of the legislation, and that it did not quite live up to the title. I told this body we had more work to do to prevent foreclosures in this country and to strengthen the housing finance system before we could say we had lived up to the name of that bill.

I am very happy to report this morning that the Banking Committee of the Senate went back and did that work, and today Senator SHELBY and I are reporting back to the Senate the Housing and Economic Recovery Act of 2008. This legislation incorporates all of the housing provisions of H.R. 3221 as it passed the Senate on April 10 by a vote of 84 to 12. It also includes the HOPE for Homeowners Act of 2008, which will help at least 400,000 families, we are told, and maybe more, to save their homes from this fate of 8,427 foreclosure filings a day. We need to try to put a break on that, if we can, and spare what it does to individual homeowners.

The bill creates a new, strong, independent regulator for the housing government-sponsored enterprises—the so-called GSEs, Fannie Mae, Freddie Mac, and the 12 Federal home loan banks. It also establishes a new permanent fund that will help build affordable rental housing for low- and moderate-income families.

I will review these titles in more detail momentarily, but first let me remind my colleagues why Senator SHELBY and I have been working so hard on this issue for the past number of months and throughout this entire Congress. Quite simply, we are living through the worst housing market since the Great Depression of the 1920s and 1930s. Here are the facts, Mr. President.

Residential construction in the United States fell by over 30 percent in the first quarter of this year. Sales of existing homes fell by 13 percent over

the past year. And while the new data for April indicates that sales may have finally picked up slightly, most analysts believe that pickup in home sales occurred only because home prices have continued to fall. They call this ''price capitulation,'' which means homeowners finally gave up and are dropping prices precipitously at a great loss to their financial security.

The number of new homes that remain unsold continues to rise, reaching the highest number in over a quarter of a century. Adding to this number are the increasing number of foreclosed homes.

Foreclosures have hit a new all-time record, according to the Mortgage Banker's Association—MBA. This data shows that almost one in every 11 homes with a mortgage in the country is in default or foreclosure, as of the end of March. That is the highest level since the MBA began tracking foreclosures in 1979. Foreclosure rates have been growing at record levels for some time and last year alone 1.5 million American homes entered into foreclosure.

During each and every day of May, more than 8,400 American families entered foreclosure and the projections are that foreclosure rates will remain at historic highs for the foreseeable future. In fact, the investment bank Credit Suisse recently released a report in which they predict that 6.5 million homes will fall into foreclosure over the next 5 years. They state:

> The coming flood of new foreclosures could put 8.4 percent of total homeowners, or 12.7 percent of homeowners with mortgages, out of their homes.

The scenario that they are describing is one in which one out of every 8 American families with a mortgage would lose their homes. That is a chilling prediction.

The effect that this is having on our economy cannot be overstated. Martin Feldstein, who served as President Reagan's chief economist, recently wrote in the Wall Street Journal:

> The 10 percent decline in house prices has cut household wealth by more than $2 trillion, reducing consumer spending and increasing the risk of a deep recession.

That means that American families have lost more than $2 trillion of wealth. Losses of that magnitude are staggering. That is almost 20 percent of our Nation's annual GDP. Put another way, a national loss of wealth of $2 trillion means that a typical family of four will have lost over $25,000 of wealth due to the current housing market crisis.

This sharp loss in wealth for the average American homeowner comes at a time when they face record-high prices for the essentials of American life—food, gas, health care, and higher education. So the so-called foreclosure crisis is affecting more than those facing foreclosure. It is affecting nearly all of us. As one home falls into foreclosure, the values of countless other homes decline rapidly, if not immediately.

Robert Shiller, the widely respected economist, predicted recently that home prices will fall by 30 percent nationally. If that happens, the loss to American families will exceed $6 trillion. That is more than half of our Nation's annual GDP. It would mean that the typical family of four would have lost approximately $80,000 of wealth. That is more than most American families earn in an entire year.

The nationwide implications of this crisis help explain why consumer sentiment is at historic lows. Americans' expectations for future economic growth are at the lowest levels in 35 years, since the deep recession of the early 1970s.

These negative views about our economic prospects are based on the real experiences of most Americans. The Pew Center recently conducted a survey on Americans' views on not only the economy as a whole, but on their personal well being. The Washington Post characterized the Pew Center's findings as:

> Offering the gloomiest assessment of economic well-being in close to half a century, a new survey has found that most Americans say they have not made progress over the past five years as their incomes have stagnated and they have increasingly borrowed money to finance their lifestyles.

By almost any measure—by any measure, Americans are struggling more than at any time in recent memory. Real median family income has fallen this decade as the costs of gas, health care, and college tuition have risen at levels far outstripping any increases in paychecks. Just to keep pace with these rising costs, Americans have turned to borrowing from credit cards and their homes. But now, as the crisis in our capital markets begins to threaten sources of liquidity for people, such as mortgages, student loans and other types of lending, the American economy is in a precarious place. That is why we need new policies and new action to prevent this recession from becoming more severe, and to lay the foundation for our recovery.

We have a responsibility to the American people to respond to their plight and to their pessimism, and to renew their confidence in the promise of the American dream.

The package Senator SHELBY and I bring before the Senate today meets this test. Is it perfect? Hardly. Never is there a piece of legislation that is perfect. Would either of us have done it a bit differently? I am confident we would. Are we guaranteeing it will work? Absolutely not. All we know is this is our best judgment, having worked together now for the last year and a half to listen to people at some 50 different hearings on a wide range of subject matters. Then we put together legislation that has enjoyed, I say again with thanks to our colleagues, overwhelming support in this Chamber on a bipartisan basis. That is not something we have done with great frequency, I might point out, in recent years. The package is a good one. It is one we think covers many of the issues, if not most of them, with which we are grappling.

Let me review the major provisions included in this package.

First, FHA Modernization. FHA Modernization will help hundreds of thousands of homeowners gain access to safer, more affordable loans. FHA does not insure the kinds of risky, adjustable rate mortgages that so many homeowners were steered into, to their great peril and eventual sorrow. I want to point out to my colleagues that the only change from the FHA Modernization provisions passed in April is hat we have increased the maximum loan limit to $625,000, a provision that will expand the reach of this crucial mortgage lifeline to a broader cross-section of the country.

Veterans housing provisions—a number of our colleagues included important improvements to update the loan limits for VA loans; assist returning soldiers avoid rising mortgage rates and foreclosure; and expand housing benefits to disabled veterans.

CDBG funds—the bill includes about $3.9 billion in emergency CDBG funds directed to those communities most affected by the foreclosure crisis. These resources will be used to buy foreclosed homes at a discount, renovate them, and return them to the market. These funds will help turn around neighborhoods decimated by disinvestment by bringing in new capital to start rebuilding homes and communities.

Counseling Funds—the bill also includes $150 million in additional funds for housing counselors to help keep people out of foreclosure. There are many Members who care about this and were involved and talked about it. This language we have already adopted, but it is in this bill as well.

The HOPE for Homeowners Act of 2008, another provision in this legislation, creates a new fund at FHA to make loans to distressed borrowers to refinance them out of mortgages with payments they cannot make into safe, affordable, 30-year fixed rate loans.

Only homeowners—not investors or speculators—will qualify for these loans. And the lenders must agree to take steep discounts from the existing outstanding mortgages.

Only homeowners who cannot afford their current payments will qualify, and, once they take out the new loan, they will have to agree to share all newly created equity and future appreciation with FHA to help defray the Government's cost.

We have heard many people voice concerns about this bill, calling it a taxpayer bailout. Let me assure my colleagues, the Congressional Budget Office makes it clear that no taxpayer money will be used to fund this program. We pay for this important new program by all or part of the first 3 year's funding from the affordable housing fund created in the GSE portion of the legislation. Then we have

an additional $2 billion cushion at the Treasury Department, should there be any negative implications.

In fact, according to the CBO, this program will make nearly $250 million for the taxpayers over the next 10 years. In return, we will be saving the American dream for hundreds of thousands of elderly and hard-working families; stopping the bleeding in our communities; and helping restore confidence in our capital markets.

Finally, this package establishes a new, independent, world class regulator for Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, known as the housing Government-sponsored enterprises, GSEs. The legislation endows this regulator with broad new authority, equivalent to the authority of other Federal financial regulators, to ensure the safe and sound operations of the GSEs. Let me recite the powers included in this legislation: Establish capital standards; establish prudential management standards, including internal controls, audits, risk management, and management of the portfolio; enforce its orders through cease and desist authority, civil money penalties, and the authority to remove officers and directors; restrict asset growth and capital distributions for undercapitalized institutions; put a regulated entity into receivership; and review and approve, subject to notice and comment, new product offerings.

As we all know, the housing GSEs have played the central role in keeping the mortgage markets functioning. Yet in recent months, like many others in the mortgage industry, Fannie Mae and Freddie Mac have lost billions of dollars. It is their very importance that makes it imperative that we assure ourselves, and the American people, that the GSEs are on solid financial footing so they can continue to serve that crucial function. A strong and of active regulator can help make sure that the GSEs continue to operate in a safe, sound, and effective manner.

The new legislation significantly enhances the affordable housing component of the GSEs' mission, and expands the number of families Fannie Mae and Freddie Mac can serve by raising the loan limits in high-cost areas to 150 percent of the comforming loan limit. Currently, this limit would be $625,000.

The legislation tightens targeting requirements of the affordable housing goals, and rewrites those goals to ensure that the enterprises provide liquidity to both ownership and rental housing markets for low- and very-low income families.

Finally, the legislation creates a permanent, new Housing Trust Fund and a Capital Magnet Fund, financed by annual contributions from the enterprises, which will used for the acquisition or construction of affordable rental housing, some ownership housing, and economic development for low-income families and communities.

This new affordable housing fund—financed fully by the enterprises—will provide a steady stream of financing to build housing for those most in need. The Capital Magnet Fund requires that each dollar leverage at least an additional $10. Together, these programs will provide billions of dollars for new affordable housing in years to come. I want to acknowledge the important contributions of Senator JACK REED to this part of the legislation. This is going to be a permanent program that will make a difference for millions of people in years in come.

I thank my ranking member, Senator SHELBY, and his staff, for their hard work to reach consensus on this whole package.

This is what we are supposed to be doing. This is what we get elected to do. We don't get elected to decide exactly what we want to do at the expense of everyone else. It means sitting down and working together to come up with solid ideas that can make a difference in our country. Today, 8,427 people are going to start to lose their homes. Tomorrow another 8,427 will have that happen, and that will happen every single day until we do something to bring this to a halt. That number has gone up by 1,000 families in the last 2 months. We cannot waste another day. There is no other issue which demands our attention and our action more than this one, and any effort to be dilatory and to stop us from saving these people and keeping them in their homes ought to be rejected by every Member of this body.

This is a cancer in our society, and it is causing us deep problems. We need to do something about it. Senator SHELBY and our staffs and the members of our committee have worked hard and long to bring this package forward. It enjoys broad-based bipartisan support, as we hoped it would. Now we have a chance to complete action on this and to make a difference and to say to the American people: In this Congress, we did something. We stepped up and tried to make a difference for that great dream of home ownership, of raising your family in a decent house, of being able to provide for your long-term security, of making a difference for your neighborhoods and communities. We are going to do everything we can to see to it that these numbers decline, that foreclosures at this rate on a daily basis are going to stop in our country.

Again, we say to you, we realize not everyone agrees with what we are doing here.

You never can here. I have been here for 27 years. The greatest moments of this body are where people have come together to try and make a difference, not trying to get their own way all the time. You are part of a larger body representing a great country. And even though you come from one State and one area of the Nation, we all have a job to do, to take care of all of us in this country.

While this problem does not affect every citizen of the country, it is growing. If we do not do something soon about it, we will be indicted by history for not doing it.

I thank my great friend from Alabama, who has been a great chairman of this subcommittee, been a great member of this committee, and he has worked awfully hard to bring us to this moment. I am grateful to HARRY REID and to MITCH MCCONNELL for making it possible.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized.

Mr. SHELBY. Mr. President, this morning I am pleased to join my colleague, the chairman of the Senate Banking Committee, Senator CHRIS DODD. The Banking Committee has devoted considerable time and effort to developing comprehensive and complex housing legislation. The proposed legislation's most significant provisions include a new regulatory structure for Fannie Mae, Freddie Mac, and the Federal Home Loan Bank system, a new program to help qualified homeowners stay in their homes, and reforming the FHA.

This legislation creates a new regulator who has the authority and the flexibility to regulate the GSEs appropriately. I am also pleased that the HOPE for Homeowners proposal is paid for; not by taxpayer's money either. I believe we should do what we can to help struggling homeowners, short of asking the taxpayers to foot the bill.

The legislation also provides immediate help to the marketplace by reforming the Federal Housing Administration, allowing it to provide greater liquidity and thereby enhancing the options available to America's homeowners.

It also provides additional funding for foreclosure prevention counseling, which will hopefully help homeowners stay current on their mortgages and able to remain in their homes.

In order to prevent this situation from repeating itself, the legislation increases the disclosures made to consumers obtaining mortgages. I believe that giving consumers more information and a greater ability to understand the choices they are making will help them avoid the pitfalls and bad decisions many underinformed consumers made in the recent past.

To better protect our soldiers, sailors, and airmen, this legislation extends additional consumer protections and provides those returning from combat a chance to get back on their feet before they face foreclosure of their homes.

In an effort to provide communities with the ability to clean up the damage caused by foreclosures that have already occurred, we have also included funding to allow States and communities to buy up and repair foreclosed residences. Attached to this funding is a requirement—here I think this is important—that any profit from the sale of properties must be used to buy and repair additional properties. I believe

the reuse of this funding in this manner will maximize the impact of these dollars and minimize the possibility that funds will be wasted or profits inappropriately pocketed by someone.

The bill also contains a number of tax-related provisions prepared in a bipartisan fashion by the chairman and the ranking member and the staffs of the Finance Committee.

While there is a large and growing number of homes entering foreclosure in this country, we must remember that the vast majority of homeowners are living within their means and making their mortgage payment. Therefore, my primary consideration here during negotiations on this bill has been to protect the American taxpayer. In creating a strong regulator for the GSEs and using an independent funding stream to pay for the FHA program, I believe we have met that goal.

With crises such as this one we are facing now in this country, I believe the American people expect us to provide effective and timely solutions the best we can. Chairman DODD and I have worked together to develop a package of targeted measures intended to stabilize and strengthen the housing financial markets.

I strongly urge my colleagues to support this carefully crafted compromise.

I remind my colleagues that this bill came out of the Banking Committee 19 to 2. That is a strong vote for a bipartisan measure.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. I thank my colleague from Alabama.

I want to read this list into the RECORD to give our colleagues some sense of the broad support this proposal has developed. Let me quote from several of our major editorials as well as major economists representing the political spectrum in our country. I will share this with you.

Alex Pollack, resident fellow at the American Enterprise Institute:

> This is an appropriate and targeted approach to the downward spiral caused by the deflation of the great housing and mortgage bubble of the 21st century.

Alan Blinder, an economist at Princeton University and the former vice chairman, Board of Governors of the Federal Reserve System:

> I think that the HOPE for Homeowners bill is the most important piece of economic legislation before the Congress today.

The Miami Herald:

> The Senate represents a bipartisan compromise that deserves wide support.

The Boston Globe:

> There is no bailout or windfall here. Congress is merely offering a fighting chance for families and credit markets to recover.

Newsday:

> The Senate program is called Hope for Homeowners. That's just what families facing foreclosure need.

Fran Grossman, the senior vice president of Shore Bank in Chicago:

> With millions of hard working Americans torn between looking for work and putting gas in the tank or paying their mortgage, we must enact legislation to provide access to the resources that will help families to hold onto the American dream and get our economy moving again.

Robert Shiller, as I pointed out earlier, supports this legislation. He is highly respected, by the way, as someone who deals with the issue of the index dealing with housing values.

Again, groups from the American Enterprise Institute to the Consumer Federation of America.

Alan Fishbein. Let me quote him:

> With foreclosures on the rise a stepped-up Federal lifeline is desperately needed if many hard-pressed families are to save their homes.

From the Consumer Federation of America to members of the American Enterprise Institute, former members of the Federal Reserve Board, members of the Reagan administration, the Council of Economic Advisers, others, all are advocating—and I am not suggesting dotting every ''i'' and crossing every ''t.'' But they have taken this work of Senator SHELBY and 17 of our other colleagues of the 21-member committee, 19 out of 21 having gone through all of the hearings, 50 of them over the last year, listening to all sorts of people talking about what needs to be done. It is now the bipartisan overwhelming majority opinion of us on that committee that this package we offer here is our best step forward.

Having done the work for a year now, spending the hours that we have listening to people and getting solid advice, this is what we believe, as they believe, is the best response America can make at this moment.

Remember, this HOPE for Homeowners is voluntary; it does not mandate anything. It creates an opportunity for people. We hope they will take advantage of it when this legislation is signed into law.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN HOUSING RESCUE AND FORECLOSURE PREVENTION ACT OF 2008

Mr. REID. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.R. 3221, and that the only amendments in order today be those relating to the subject of housing, except the amendment I will offer on behalf of Senators DODD and SHELBY, in my motion to concur in the amendment of the House, striking section 1, and all that follows through the end of title V, and inserting certain language to the amendment of the Senate to H.R. 3221, and that no other motions, except motions to reconsider and motions to table, be in order during today's session.

The PRESIDING OFFICER. Is there objection?

Mr. DEMINT. Mr. President, reserving the right to object. I appreciate the leader's sensitivity to some concerns we expressed yesterday on the length of this bill and the fact that probably very few, if any, of us have had a chance to read it, as well as his sensitivities to a slew of credible media reports that question some of the intents in the bill.

We all know the housing crisis is an issue in this country, and we do need to look at what we can do as a Senate to relieve the foreclosures and to help Americans stay in their homes. But we need to do it in a way the American people trust. We are trying to get through this bill. We know it has been changed since the committee has considered it.

I ask the leader if he would consider a modification of his agreement that we be assured that before this bill is finished, we will have an opportunity in the minority to offer an amendment that would refer the bill to the committee with instructions to report what direct benefits Countrywide or other financial institutions would receive from this legislation. Would the leader be willing to modify his agreement to include that?

Mr. REID. I say to my friend from South Carolina, the distinguished Senator, and I remind everyone, that 75 percent of this bill has already been passed and was done by a very big vote.

The 25 percent we are working on now—we hope to work on—is work that has been done on a bipartisan basis. And much of it, if not all of it, was in total consideration with the White House. So I say to my friend, let's go ahead and we will legislate on this bill today, the Senator not objecting. I will be happy to sit down with Senator DEMINT alone, with the minority leader, anyone else, and talk about the concerns you have, as you have indicated, as to benefits going to whomever they go to, and let us see if we can get from here to there by approaching it in that manner.

But as I indicated yesterday, this is important legislation. We want to make sure there are no problems with any Senators who have other concerns. So, in short, let me say this: My friend loses nothing by allowing us to go to the bill as indicated in this consent agreement. And then any time during the day, I will be happy to meet with him and the other eight Senators, together or alone, who signed that letter, and the distinguished Republican leader can suggest whomever, if anyone, he wants in on that meeting. I will be happy to work with the Senator.

Mr. DEMINT. I do not feel qualified as an individual member to make the

judgments that I think the committee could. Our hope was to have an up-or-down vote at one point to allow this body to at least decide if we should refer this back to the committee to look at that specific area, to make sure there is complete transparency, and to address what benefits some of these companies have.

All we want is an up-or-down vote, not necessarily a determination of how the bill should be changed. I certainly cannot determine. We have had one media source say it is $25 billion to Countrywide. We thought the committee had indicated $2.5 billion. Certainly, because of the media promotion of this, this has become a national issue. So our hope is that, again, before the bill is over—not today; it is certainly a reasonable request to deal with housing amendments today—but that the leader would assure us that before this bill is finished, we would have an up-or-down vote on referring it back to committee.

Mr. REID. I say to my friend, through the Chair, I can't give him assurance that there will be a vote, but I do give assurance that we will sit down and talk with him and do what we can to pacify his interests. What I mean by that is, there may be another way we can get from where we are today to where he thinks we should go. We will be happy to work with the Senator throughout the day. I give him the assurance, without any reservation, that his concern is not untoward, and we will be happy to sit down and see if there is a way we can accomplish what he wants to accomplish, as I said, the Senator from South Carolina and the eight other Senators who wrote me the letter.

Mr. DEMINT. Mr. President, I appreciate the leader's reasonableness. I would like to work with him. Again, the goal is not to pacify me but to make sure the American people can look on us and know we have had an open and transparent process. I trust the leader and respect him and how he will approach that. For that reason, I will not object to the unanimous consent request.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, I thank my good friend from South Carolina for allowing us to go forward today. As he knows full well, we have been complaining on this side that we have not been allowed to legislate on frequent occasions lately. The majority leader has outlined a way to go forward today that allows us to do what we used to do in the Senate, which is to actually offer amendments related to the subject and vote on them. I believe this is a good way to proceed. I thank the majority leader for his accommodation, and I thank my good friend from South Carolina as well.

The PRESIDING OFFICER. There being no objection, the unanimous consent request is agreed to, and it is so ordered.

Under the previous order, the Chair lays before the Senate a message from the House with respect to H.R. 3221, which the clerk report.

The assistant legislative clerk read as follows:

Resolved, That the House agree to the amendment of the Senate to the title of the bill (H.R. 3221) entitled "An act to move the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation," do pass with amendments.

AMENDMENT NO. 4983

Mr. REID. Mr. President, I move to concur in the amendment of the House, striking section 1 and all that follows to the end of title V, and inserting certain language, to the amendment of the Senate to H.R. 3221 with the amendment at the desk. Basically, so everyone knows what this is, it is the bipartisan Dodd-Shelby amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DODD, for himself and Mr. SHELBY, proposes an amendment numbered 4983 to the House amendment striking section 1 through title V and inserting certain language to H.R. 3221.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let the games begin. We are open for business. If Members have amendments they would like to raise, Senator SHELBY and I are here, and we would like to move along. I know there are Members who have plans they would like to do later this week, perhaps for the weekend, but if we can move quickly, who knows what might happen, since we have done two-thirds of the bill already with overwhelming votes, with a couple modest changes in it. We have increased loan limits in a couple of areas. We invite our colleagues to come over. If they want any questions answered about this, we have staff here as well as members of the committee. We are prepared to entertain amendments and move forward on this very important piece of legislation.

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. WYDEN. 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. WYDEN. Mr. President, I ask unanimous consent to speak as in morning business for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE IN OREGON'S FORESTS

Mr. WYDEN. Mr. President, today, I am honoring a commitment and submitting for public review a proposal to protect old-growth forests and to aggressively move to restore, through thinning, the millions of acres of at-risk forests across the State of Oregon.

The novelist Ellen Glasgow once remarked:

The only difference between a rut and a grave is their dimensions.

We find ourselves today in a decades-old rut that threatens our forests and our lives like never before. It is time for change for Oregon forests, and that change can only begin with new ideas—ideas that depart radically from recent decades of forest mismanagement, old-growth destruction, catastrophic fire, and political gamesmanship.

We must break this cycle of endless fighting, of old, unwinnable battles in the woods that now endanger our forests and communities alike. We must make the preparations now to move forward, under new national leadership in 2009, to restore our treasured and endangered forests with sustainable, ecologically beneficial restoration thinning while permanently protecting the few remaining old-growth forests we have left.

We ought to be creating new and sustainable jobs in forestry for now and for the future and finally achieve the economic and ecological promise of the Northwest Forest Plan. It is my view that it is critical to change the mindset of Federal land management bureaucracies by requiring large-scale efforts to address the obscene backlog of at-risk forests and by restoring the tools and the public trust required to accomplish these jobs. In short, we must change the way the Federal Government manages forests, and especially Oregon's forests.

I am hopeful my proposal—driven by science and the will of the people of Oregon to end the destruction of old growth and to restore our at-risk forests through sustainable thinning—can help begin a new dialog that leads to change that is so desperately needed.

So I invite all Oregonians to review my proposal and to share their thoughts at my Web site: www.wyden.senate.gov. My staff and I will review those comments and seek to improve upon it before it is formally introduced as legislation in the Senate.

Our forests are the foundation of our natural, historical, and sociological culture. Unfortunately, decades of scientifically unsound forest management have created dangerous risks that now threaten our forests and our cultural identity.

Instead of making progress on the huge backlog of priority management projects that could restore our forests, Presidentially imposed political agendas have taken precedence, for well over a decade now, over commonsense opportunities to move forward to an

ecologically sound, economically advantageous, and sustainable forest future.

Scientifically unsupportable agendas and the resulting cycle of mistrust, litigation, and institutional paralysis now threaten vast tracts of Oregon's forest land and especially what remains of Oregon's ancient forests.

The Federal Government owns more than half of my State. That probably is a little bit different than it is in Rhode Island, but it is the case, and most of it is forest land. Due to decades of poorly designed, even-aged management and fire suppression, we have millions of acres of choked, second-growth forest at an unacceptably high risk for disease, catastrophic fires, and insect infestation. Fire, disease, and infestation certainly don't respect geographic boundaries, but they sure present a severe risk to private landowners and communities alike.

In 2008, at our Oregon Economic Summit in Portland, I announced that I will begin work on a proposal to address the bureaucratic and political roadblocks that prevent restoring millions of acres of choked, second-growth plantations in moist west side forests and the many at-risk dry forests, particularly found in the eastern and southern part of my State. I said I would work to avoid a return of the counterproductive and senseless forest battles of the past several decades—battles fought over logging in old growth and environmentally sensitive forests, areas which tend to be far more fire resistant and play a critical role in water quality and species protection.

Today, I am honoring the commitment I made to the people of Oregon, and I intend to use my chairmanship of the Senate Subcommittee on Public Lands and Forests to attempt to bring my home State the changes that our forests so desperately need.

The guiding premise of my proposal is to direct and help the Federal land agencies move forward quickly with local input on what should be the most critical, least controversial objectives to restoring our Federal forests in Oregon and to move those agencies away from practices that have been widely discredited and are not supported by the public.

In short, my proposal expedites restoration of Oregon's forests by thinning the millions of acres of choked plantations and dry, at-risk forests that pose a risk to lives, forests, and property. It also attempts to begin the task of restoring public trust in Federal land management agencies by permanently ending the commercial logging of Oregon's old growth forests. Forest Service and BLM managers in my State would be given new direction based on the principles of restoration forestry. Overstocked stands that I have been referring to and stands unhealthy due to a lack of age or species diversity would become the focus of this proposal. The managers would be instructed to avoid all old growth and inventoried roadless areas and incorporate a comprehensive aquatic conservation strategy into all projects. Activities conducted under this new management direction would receive expedited administrative procedures and limits on administrative appeals because they would then be focusing on critical priorities in the noncontroversial areas.

This proposal further works to restore the trust of the public in our Federal land agencies by giving those agencies an incentive to pursue new, sustainable forest management directives and to create the first ever automatic, independent review of the agencies' forest management actions, as well as new openness, transparency, and accountability for the actions by these agencies.

The overwhelming body of scientific evidence assigns a negative ecological value to the cutting down of Oregon's remaining old growth forests. Science has demonstrated time and time again that old and mature trees play an indispensable role in preserving water quality for communities, preserving critical wildlife habitat, and storing the carbon gases that contribute to global warming. Further, the evidence shows that those older trees are far more resistant to fire than younger trees. Equally important, after the disappearance of over 90 percent of Oregon's old growth, the people of my State no longer support the cutting of what little old growth remains on our public lands.

In the drier forests found predominantly, but not exclusively, on the east side of Oregon, the old growth picture is a bit more complicated due to decades of questionable management. Many scientists and environmentalists agree that more active forest management will have to be pursued quickly on the east side forests if there is going to be a genuine effort to save the native older trees and restore a healthy, diverse, and more fire-resistant mix to forests currently under a relentless and devastating assault by fire, disease, and insects.

For these reasons, I propose a permanent protection from logging for all remaining old growth and mature trees in Oregon's Federal forests. In the mostly west side ''moist'' forests, no tree currently 120 years or older would be allowed to be cut ever again for commercial purposes. In the drier forests, no tree currently 150 years or older would be allowed to ever again be cut for commercial purposes. The decades-old debate over the fate of old growth in Oregon would finally come to an end.

This is a crisis which cries out for action across the millions of acres of choked, at-risk forests in our State, and reasonable people on both sides of the forestry issue need to come together so that we get fresh policies and Oregon doesn't suffer foolishly and needlessly lose more forests, property, and lives.

What I propose today is to shift the focus of our Federal land agencies off of logging old growth and other environmentally sensitive areas and on to addressing the horrific backlog of desperately needed restoration thinning in the Federal forests. This involves harvesting ground and ladder fuels in areas that ought to be considered noncontroversial, fuels that currently endanger old growth in other healthy forests—Federal, State, and private alike—as well as endangering human and animal life. The new required management focus will also allow for the economic potential of the Northwest Forest Plan to be secured.

This proposal envisions that in many cases it is going to be possible to achieve the goals I have set out by bringing about collaboration from timber industry groups and environmental leaders. I have already seen great collaborative successes like this in the Siuslaw, Colville, and other national forests, with the help of organizations such as Oregon Wild, the Nature Conservancy, and K-S Wild. My proposal creates incentives for these partnerships, but due to the enormous and dangerous backlog of work, it is my view that collaborative efforts such as these must be stepped up; they must come at an accelerated pace.

Unfortunately, history has shown that it is not possible to rely just on good will, and that is especially the case if you don't find a way to discourage the cycle of endless administrative appeals and litigation that has produced Federal agency inertia and undermined even the most commonsense management efforts in our forests.

Under my proposal, each Oregon Federal forest and BLM district would be empowered to create a landscape-level restoration project of up to 25,000 acres designed by local collaboration organizations. If collaboration is not achieved, the land agency would be allowed to go forward but on a smaller scale of up to 10,000 acres.

One of the reasons there have been endless appeals and litigation is that over the past several decades, the level of public trust of Federal public land agencies has fallen to such unhealthy levels that it is impossible to conduct even routine and commonsense forest management projects. An era of mistrust of these agencies and the accompanying legacy of public protests, appeals, and litigation have produced what I consider to be an institutional paralysis in these land agencies, and it must be reversed. To begin to restore public trust and empower the land agencies to move forward aggressively, I believe the proposal I offer today will bring an unprecedented level of scrutiny, transparency, and accountability to the forest projects that are conducted under the new authorities I propose.

I borrow in this regard from a model that has been used by fisheries regulated by the National Oceanic and Atmospheric Agency that employ observers to monitor the bycatch of fish.

Under my proposal, independent forest observers hired and managed by the independent inspectors general of the Agriculture and Interior Departments, who will monitor all of the projects that are conducted under the proposal I offer today to make sure the prohibitions against cutting old growth and mature trees, and cutting trees in roadless areas—that those protections are strictly observed. The forest observer reports will be made available to the public online, and Federal forests found violating the Federal protections would lose their ability to provide expedited project authorities for several years as a penalty.

Finally, for the sake of our environment, economy, and our way of life, my hope is that an approach such as I offer today is going to make it possible to create thousands of new jobs and restore the health of our forests. The only way to produce this kind of change is to put new ideas forward, bold ideas that break out of the old rut that has produced so much institutional paralysis, and move to an approach that protects our forests, protects our communities, and protects a new opportunity to create family wage employment.

I am certain there are many additional issues Oregonians are going to want to consider and suggestions they will have to improve this proposal. I wish to make it clear that starting today, with this proposal online, I invite and welcome the people of Oregon to weigh in so that it will be possible, at the end of their opportunity to be heard and offer their suggestions, to go forward with a concrete, specific proposal to break bold, new ground with respect to forestry and provide the changes the public so desperately desires.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BROWN). The senior Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, in a moment I am going to ask for unanimous consent to speak as in morning business and to lock in an order, but I wish to say, while we are on the housing bill, that I will be coming and offering again a slim-downed amendment that had been declared not germane to the housing bill before, in order to promote people to be able to stay in their homes by withdrawing from their 401(k) savings plan without paying the 10-percent penalty. I will be offering that amendment. We are getting it scored again by the Congressional Budget Office. We think its impact will be much less, and I will be conferring with the chairman and the ranking member of the committee as we approach that.

Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for up to 10 minutes, and I ask unanimous consent that I be followed by the Senator from New Hampshire for 10 minutes as well.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Reserving the right to object, I intend to speak on the bill, and I presume it will be for about 10 minutes, but I am not sure.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

ENERGY PRICES

Mr. NELSON of Florida. Mr. President, we have quite a brouhaha that was stirred up in my State of Florida when the President and Senator MCCAIN both announced their position—a changed position for Senator MCCAIN—that all of the offshore lands on the continental United States be drilled for oil and gas. Presently, most of those offshore lands are under a Presidential moratorium until the year 2012, save for the Gulf of Mexico off the west coast of Florida, which is under statutory prohibition to drill until the year 2022. It has caused quite a brouhaha because both Senator MCCAIN and the President have said that if you want to lower the $4 price of gas that people are hurting under, what you have to do is drill.

But what they have neglected to say is that there are 65 million acres, onshore and offshore, which have already been leased, that the oil companies have not drilled. So if you want to drill as if that were the answer to lowering gas prices—which it is not, and I will tell you why in just a minute—you have plenty of land and submerged land in which to drill. So why don't you drill?

It is being used as a red herring to get everybody off of what we ought to do, which is eliminate our addiction to oil and start going to alternative sources, which is ultimately the solution.

Let's take the President's and Senator MCCAIN's point of view that you are going to lower gas prices by drilling. As a matter of fact, the President's own administration has said—the Energy Information Administration, in their annual report last year, has said—that drilling in the offshore of the continental United States will not have any affect on gas prices until after the year 2030. That is 22 years into the future. So the internal documents that have just emerged in the Bush administration belie the very same thing that the President and Senator MCCAIN were trying to do.

What are they trying to do? The administration is trying to give away the store before they leave town. They are trying to help the oil companies. How do they do it? The value of an oil company is, in part, determined by how many reserves of oil and gas they own. Therefore, if they have additional acres of leases that have not been produced both onshore and offshore, which is considered a reserve—and that is certainly a value—and that is listed as an asset on the books of the oil companies, and the greater amount of land they can have that has some proven oil and gas deposits, the greater their asset value even though it is not being drilled and not produced, which is the very reason they say we ought to drill. But, of course, that is belied by the fact that they already have 65 million acres they have not drilled.

By the way, 31 million acres of that is in the Gulf of Mexico. This Senator has fought for years. I first started this fight in 1982 as a young Congressman over in the House of Representatives, when a Secretary of the Interior, named James Watt, wanted to drill off the entire east coast of the United States, from Cape Hatteras, NC, all the way south to Fort Pierce, FL. I have been fighting this since then.

Why? Clearly, there is an economic reason in our State. We have a $65-billion-a-year tourism industry that depends on pristine beaches. Clearly, there is an environmental reason, which is that the bays and estuaries are necessary for so much of the spawning of the marine life in both the Atlantic and the gulf. But the other reason is that almost the entire Gulf of Mexico off of Florida—that area which is prohibited in statute, which Senator MARTINEZ and I were able to pass 2 years ago—that area is the largest testing and training area for the U.S. military in the world. It is where we train our pilots in live-fire exercises. It is where we have joint sea and air and, combined with Eglin Air Force Base, land operations. It is where some of the most sophisticated weapons systems that have to be shot for hundreds of miles are tested.

We have a letter from the Secretary of Defense that says drilling for oil and gas would be incompatible with the use of the U.S. military, and that is the main testing and training area for the U.S. military in the world. As a matter of fact, it was that very excuse that I used back in 1982, as a young Congressman, facing down the Secretary of the Interior, James Watt, when he wanted to drill off the east coast of Florida in the Atlantic because one thing they omitted to find was, how can you have oil rigs out there off the east coast of Florida, where we are dropping solid rocket boosters in the launch of a space shuttle and the first stages of the expendable booster rockets coming out of the Cape Canaveral Air Force Station in all of our space launches? You simply can't. Thus, that was the reason I was able to defeat it back in the 1980s. And here we are, still carrying these arguments on.

Mr. President, no, this is not the answer. The answer, if you want to drill, is to go on and drill. You have the leased land, on land and submerged land. The real answer to the question of $4 gas or $140-a-barrel oil at the end of the day is to wean ourselves from total dependence upon that oil with alternative fuels so that we start having alternative fuels, such as ethanol, made from things that we don't eat, synthetic fuel made from coal. How do you think Germany fueled its war machine during World War II when they

were embargoed on oil? They made synthetic fuel from their coal reserve. The United States has 300 years of coal reserves. Using our yankee ingenuity and research and development to develop new engines, new technology, and new fuels—did you see where Honda came out that they are going to produce the first mass-produced hydrogen engine car? This is the beginning of the change of weaning ourselves from total dependence on oil.

In the meantime, what can we do about oil which last week spiked $11 per barrel in 1 day and has gone all the way up to $140 a barrel? What is it? Is it just the tightness of supply and demand in the world market? That is part of it. But an ExxonMobil executive, 2 months ago, testified to Congress that supply and demand would say that oil is $55 a barrel. So what is the difference between $55 a barrel and what it sold for last week at $140? The biggest difference is an unregulated commodities trading market that allows speculators, who are not going to use the oil, who are just bidding on the contracts—and they keep bidding that price up and up and up.

We did one thing about that last night when we passed the farm bill because in the farm bill was a part that partially started to reregulate those commodities markets. But it wasn't enough. You need to come in and put energy commodities clearly back in the regulation by the Commodity Futures Trading Commission. If you do that, then they will require those bidding on oil contracts for future delivery of oil to say they actually are going to use most of that oil instead of just speculating on the price and driving it up and up.

It is true the weakness of the U.S. dollar plays into this a little bit, and something we can do about that is balance the budget and strengthen the dollar because oil is traded in U.S. dollars. The weakness of the dollar, compared to other currencies of the world, makes the stronger currencies bid up the price of oil in dollars. But the main reason is speculation. We simply have to be realistic, with common sense, as to what we are going to do about $4 gas from which our people are hurting so much.

Sometimes I have been a lonely voice because it is easy and seductive to say, with $4 gas, we ought to drill. But I hope I have demonstrated to the Senate that the problem is much more complicated and that we cannot simply drill our way out of the problem.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I am seeking recognition on the bill in morning business, but first I will comment on the oil issue. I am rising primarily to speak to the bill, which has been brought to the floor by the Senators from Connecticut and Alabama—and I congratulate them—at a time when there hasn't been a lot of effort to do business in a cooperative way to produce positive events for our Nation or Government. They have done it, and they deserve a tremendous amount of praise for that. I have not had a chance to read the whole bill, but I have listened to what they are planning to do. We have worked with their staffs. Up until a couple of weeks ago, we were working reasonably close, and Senator SHELBY has been a force for progress. In my opinion, they appear to be on the right track. I want to get into the specifics of why I feel that way in a second.

OFFSHORE OIL EXPLORATION

First, I wish to talk about the oil issue, about whether or not we explore offshore. The proposal we have seen for energy that has been brought to the floor so far, primarily by the other side, has been to do three basic things. One is to litigate; sue the oil cartels. If you are the Saudis, and America gives American attorneys a new right to sue you, or if you are the Emirates States or some other oil-producing nation, you are going to be affronted by the fact that the United States would suddenly turn to its legal community and say: You can sue these other nations. I suspect my reaction, were I running a government of one of those countries that had oil reserves, would be to say, A, we don't need you, we don't need to sell you this oil; or, B, reinvest in your economy with the proceeds from purchasing this oil.

Our economy, to a large degree, is dependent upon people being willing to invest in it, both domestically and also internationally. Obviously, the petrodollars that are floating around the world because of the price of oil are a significant part of the investment capital in this world, and we are shipping overseas massive amounts of our capital to purchase oil. That is one of the biggest problems with the fact that we are buying all this foreign oil at ridiculously high prices.

We should not take an action that essentially would be cutting off our nose to spite our face by saying: We are going to sue you if you don't do what we want relative to our laws and relative to cartels. Their laws don't bar cartels. They don't have to invest in the United States. I suspect they would limit their investment through their sovereign funds in the United States were we to take that action. That would not produce more energy for us.

The second proposal is to take a percentage of the profits of our domestic oil companies because, I guess we believe that as a Congress we can spend those profits better than those domestic oil companies. First off, those domestic oil companies don't make up the majority of producers in this world. In fact, only 6 percent of the proven reserves in the world are controlled by publicly held companies. The rest are controlled by companies that are managed by governments, the Saudi company being the biggest. But you have Venezuelan companies, Chinese companies, and the Russians, and you have a series of nations, of course, that have control over their supply. So supply is not controlled by these private companies. And their profit, if we take it as a government, is not going to give us the capacity to produce more oil. We are going to take that money as a Congress and spend it on whatever interest group we think is important today. We will probably spend it on some program to help out people who are trying to buy their energy. But that is not going to produce more oil. That is not going to produce more exploration.

Remember, these companies are owned by Americans, for the most part. They are owned by Americans through pension funds. People who work for unions own these companies, people who work in businesses own these companies, people who have a job and have a 401(k) own these companies. The profits flow back to two different actions: One, exploration; or two, dividends—dividends running to American citizens, most of whom are retired, or many of whom are retired. So to simply say, well, their profits are too high and we are going to grab them as a government and spend that money because we can spend that money more efficiently and better than those companies—because they are evil, they are oil companies—is, again, cutting off our nose to spite our face.

It won't produce more exploration. It will produce less. It will take from Americans who have invested in those companies through their pension funds and their dividends. That makes no sense.

The things that make sense are: More conservation, more renewables—both of which I strongly support—and also more exploration in the United States. Produce more American energy—clean energy, hopefully. One way to do that, of course, is to expand nuclear power. But another way is to look for reserves where we have reserves, and where we can look for them in an environmentally sound way. One way is to take a look at oil shale. That is a great opportunity. We have more oil reserves in oil shale, three times more in oil reserves in oil shale, than Saudi Arabia has in plain oil. We have over 2 trillion barrels of reserves in oil shale, and we are not using it. We are not using it because it is on public lands and we have been barred by the activists and the environmental communities from using that oil. Remember, the way you produce that oil is underground. You don't produce it aboveground. So there is no destruction of the surface area of the ground.

Secondly, there is the fact that we have proven we know how to drill. We know how to explore in the ocean. The greatest example of that was Katrina. Here is the largest hurricane to hit the American shore in history, as far as damage is concerned—it wiped out one of our great cities, New Orleans, then came right up the Gulf of Mexico—and

not a barrel of oil was spilled, even though the Gulf of Mexico is filled with drilling rigs. Why is that? Because we know what we are doing. We have the technology to drill and to produce from the Outer Continental Shelf in an environmentally sound and safe way, even in the face of a force 5 hurricane.

So of all that has been proposed here and that makes sense is let's look for other places where we can produce oil, American oil, off our shores, if States agree to it. That is the caveat: If a State agrees to it. Now, if Florida doesn't want to do it, that is their choice. Louisiana does want to do it, Mississippi does want to do it, Alabama does want to do it. Virginia wants to do it, but Virginia is barred from doing it because we have a Federal law saying even if Virginia wants to do it, they can't do it. That makes no sense.

Why should we be buying oil from people who hate us, who want to destroy our civilization and do us in, when we can produce it off of States, where the States agree, where the people of those States agree they are willing to explore because they know it can be done in an environmentally safe and sound way? That makes no sense.

I am sorry to get off on that tangent, but I had to, because this is a topic of current concern and the Senator from Florida raised a number of issues on this question.

To return to the issue at hand, however, the bill brought to the floor by Senators DODD and SHELBY, whom I just finished praising for their excellent effort here—as a conservative, it is not my inclination to have the Government step into the marketplace. In fact, that is anathema to me in most instances, and I am fairly resistant to it. I think I have as good a record on trying to keep the Government out of unnecessary interference in the marketplace as anyone else around here, and certainly have a very conservative fiscal record. But I have an experience here which I think lends some knowledge on what is happening and what we need to do.

I was Governor of the State of New Hampshire in the late 1980s and early 1990s when we went through a massive real estate bubble meltdown. It was incredibly destructive to the Southwest and to New England. The Southwest's was caused by a large amount of fraud, regrettably, and in New England it was caused by excessive speculation, especially in commercial real estate development. As a result of that, we had seven major banks in New Hampshire in late 1989 and five of them went bankrupt. The other two would have gone under, except they were owned by larger banks from outside of New Hampshire that were able to come in and give them the capital to sustain themselves. Numerous other smaller banks, community banks, went under. Lending contracted, people's home values, as a result of the bubble bursting, dropped by between 30 and 50 percent. It was a horrific time for our citizenry in New England, and it was an incredibly difficult time economically.

How did we get out of this? There were a lot of things done, but one of the key things that was done was the Resolution Trust Corporation. The leadership of the FDIC at that time, led by Bill Seidman, and the Federal Government came in and intervened. It essentially came in underneath the failed banks and said they would be there to backstop the deposits and liquidate the assets so they became marketable again and so the economy could move forward.

When you have a contraction such as that, which is what we are seeing in our market today as a result of the subprime meltdown in States such as Florida, Arizona, and California—and it is spreading, regrettably, to some instruments that weren't subprime—when you have a meltdown such as that, what happens is the banking and the lending industry of the Nation start to have to rebuild their capital quickly because they are taking huge losses. And the only place a bank can rebuild its capital is by calling in essentially good loans. So even though somebody might have a good idea and know how to make a business work and have a real estate proposal which makes sense and is going to have a positive cashflow, it is extremely difficult for them to get a loan—extremely difficult—because the banks are trying to build their capital and they are not lending. That is what we are seeing today. We are seeing that type of contraction.

On top of that, of course, we have the meltdown. We have the major investment house of Bear Stearns, which was reacted to appropriately by the Federal Reserve, by opening the window so other investment houses would be able to have resources, but we still have this serious issue of liquidity. That is what it all comes down to. It comes down to the ability of the lender to be able to take the loan and sell it and move it in the marketplace so they can actually lend some more money by taking money in and by selling the loans which they have on their books. That is what it comes down to. What we have today is a market that is contracting because they do not have that capacity. The lenders do not have that capacity.

That being the case, what is the role of the Federal Government? I am hesitant to have the Federal Government step into this, beyond what it has already done, but I think setting up a backstop is appropriate, and that is essentially what the bill that is brought to us by Senators DODD and SHELBY does today.

First, I congratulate them for the regulatory reform they put in for Fannie Mae and Freddie Mac, very important reform. But going to the part which is the essence of the bill beyond the reform, which is very important, the question of expanding FHA authority to basically become a backstop for these mortgages and basically a force for making these mortgages liquid is the key element of this bill.

As I understand it—and, again, I haven't been able to read the whole bill—the way it basically works is for these loans, for the FHA to step in and insure refinanced mortgages, the loans first have to be written down to 90 percent of the market value of the house; second, the home has to be owner occupied, so it is not a speculative home; and third, all the secondary liens that might be on the property have to be cleared so it is basically the single underlying primary first mortgage that is being underwritten. That is the proposal as I understand it.

The possible effect of this, in my opinion, will be that the lenders, the banks specifically, the people who have made these insured mortgages, may be able to move these mortgages off their books, unlike mortgages which are not moving right now, in a way which will free up the marketplace and allow them to relend money to other people who want to buy a home.

Equally important, of course, is that the homeowners, who find themselves caught in this subprime web of having taken on a mortgage which they couldn't afford because the adjustment in the ARM went up so quickly and so radically in an unexpected way, will be able to stay in their home and make their payments, if they have the capacity to do that. That should be our goal. Our goal shouldn't be to have foreclosures occurring all across this country. Our goal should be to keep the homeowners in their homes, those who do have the wherewithal to pay for their mortgages, as long as their mortgage is properly priced. That is what this bill will accomplish in many ways.

What is the cost of this bill? That is of primary concern for me, and I know it is a primary concern for Senator SHELBY, because he is probably even more of a skinflint than I am around here.

CBO is saying the ability of people to take advantage of this may be limited because of the fact you have to clear all the second liens off the home, so there may not be as much use of it as one might think. But I think there will be more use of this option than CBO thinks, because the lender and the borrower will see it as an opportunity for the borrower to stay in the home and for the lender to get the loan and move it off the books so they can get more liquidity and rebuild their capital.

I think that will be the outcome of this language, should it go into place: A lot of homes will be saved.

Secondly, as I understand it, a lot of the money to support this is going to come out of Fannie Mae and Freddie Mac. I may be wrong about that, but I think that is the way it works. That is appropriate, because Fannie Mae and Freddie Mac have an unfair playing field here. They get a tilted rate benefit because of the fact they are perceived as being backed up by the Federal Government, even though they

aren't. So this will level the playing field a little bit, and it will take resources which aren't coming into the Treasury anyway to support it.

Thirdly, and I think this is probably the most important part, the economic slowdown we are in today I believe will be relieved to some degree because there will be a mechanism in place. It is not a magic wand. It is not the absolute full response to the problem. In fact, there is only one end of the pyramid that needs to be built here. But it is a response which will help the economy recover quicker and with more energy.

I opposed the original stimulus package we passed, and I opposed the housing bill that was on the floor earlier this year because I didn't think either one was going to do a heck of a lot to help the economy move forward. This bill, however, if it is in the form that I think it is in, does something to accomplish that goal. It will help the economy because it will free up the market. It will make the market more liquid, which is what we need, and it will also give people the capacity to avoid foreclosure, which is very important to the mindset and the psychology of the economy.

I do think this will be part of the effort to raise the economy of this country as we continue in this rather significant—and I do not think we are out of the woods yet—severe slowdown in the area, especially, of the financial industries.

Again, I hope I understand the bill. I am not sure I fully understand it. I wouldn't claim I do. But I think I understand its concept, its purpose, and I agree with its concept and its purpose, and I congratulate the leadership of the Banking Committee.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank the leaders of this effort, my good friends, Senators DODD and SHELBY, for their hard work and their efforts to address the housing crisis and the need to reform regulatory oversight of the government-sponsored enterprises, Fannie Mae, Freddie Mack, and the Federal Home Loan Banks, and reforming FHA.

These are clearly needed. They are long overdue. I am happy to support them.

In addition, there is clearly a role and a need for the Government to address the current housing crisis. I have supported and led various efforts in the SAFE Act—Security Against Foreclosure and Education Act—that I introduced in March. That had additional housing counseling, improved disclosure and transparency in the homebuying process, and strong enforcement actions against predatory lending. These were essentially included in the bipartisan measure this Senate passed early in April. But I have grave concerns about some aspects of H.R. 3221, the Housing and Economic Recovery Act of 2008. I filed three amendments to that bill today that I hope we will be able to discuss thoroughly and act upon.

It is a fundamental principle that the Congress does not create programs that perpetuate or reward the behavior that led to the housing crisis or damage the key agencies that play a key role in stabilizing the housing market. Unfortunately, this legislation before us today goes against that principle.

Specifically, I am gravely concerned about the proposed expansion of the Department of Housing and Urban Development's—HUD—Federal Housing Administration—FHA—contained in this bill. The proposed creation of a new FHA program called the HOPE for Homeowners loan program would allow certain at-risk borrowers to refinance their mortgages and authorize FHA to guarantee up to $300 billion in new loans. The program would allow lenders and borrowers to refinance voluntarily their mortgage loans into a new FHA-insured loan at a significantly reduced loan level with lenders agreeing to write off these reductions as losses.

According to the Congressional Budget Office's review of the HOPE for Homeowners loan program, about 400,000 loans would voluntarily participate in this program, which would require about $68 billion in loan commitment authority. CBO projects that about 2.2 million borrowers of subprime and alt-A loans will face foreclosure proceedings during the next three years. Based on a comparison of these numbers, the expected reach of this program will be significantly limited in assisting of homeowners who are expected to face foreclosure. While I would like to keep as many homeowners in their homes as possible, this strategy is more likely to result in a huge bailout for lenders while protecting a very limited number of homeowners. In particular, CBO estimates that under this program, ''mortgage holders would have an incentive to direct their highest-risk loans to the program.'' For a modest write-off, lenders who were, in a number of cases, either fraudulent or negligent in their treatment of borrowers, will be able to clear out many of their problem loans. At the same time, CBO estimates that the cumulative default rate for the HOPE program would be 35 percent—meaning that one out of every three loans refinanced would fail. Frankly, creating a new Federal program that takes on the worst of the worst subprime loans, which will hurt FHA is extremely troubling.

The Senate bill pays for to the new FHA HOPE program from GSE assessments. This offset potentially avoids the need for funds from the Treasury to cover the losses as required under the Federal Credit Reform Act. However, whether the costs for the HOPE program would be paid by proceeds from the GSEs or from direct appropriations, it does not change the nature of this program—it is a bailout.

As a former member of the Senate Banking Committee and current longtime member of the Senate Appropriations subcommittee with jurisdiction over FHA, I have held a strong and long-time interest on housing and finance issues. A major lesson learned from my work on both the authorizing and appropriating committees is that FHA is significantly limited in managing and implementing its loan activities due to longstanding management and resource challenges. Let me emphasize that point. FHA is significantly limited in managing and implementing its loan activities due to long standing management and resource challenges. They do not have the people and the people are not adequate to the task in too many cases. FHA's challenges have been well-documented by the HUD Inspector General and Government Accountability Office for several years, which has been heard through numerous congressional hearings. All my colleagues who wish access to that information can have it.

It also is troubling to me that we are burdening FHA at a time when they are playing a growing role in assisting distressed homeowners. I have heard that FHA's market share has grown tremendously from about 2 percent to as high as 8 percent. To add 400,000 of the worst of the worst new loans to FHA's portfolio at this time is potentially creating a perfect storm for failure. Any collapse in FHA will be borne by the American taxpayer and future appropriations bills, potentially at the expense of other housing programs.

It is my belief that the FHA HOPE proposal takes the Government and the taxpayers down a dangerous and risky path, which may worsen the housing problem for borrowers it aims to address. Further, when taking into account the longstanding management and financial challenges of FHA, the expectations being created by the new FHA HOPE program are unrealistic.

AMENDMENT NO. 4985 TO AMENDMENT NO. 4983

For those reasons I offer an amendment, No. 4985, to strike title IV of division A, which establishes the HOPE program. I recognize this program is a part of a delicate compromise, but it is too troubling and risky for the American taxpayer. Therefore, I call up amendment No. 4985.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] proposes an amendment numbered 4985 to amendment No. 4983.

Mr. BOND. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike provisions relating to the HOPE for Homeowners Program)

Strike title IV of division A.

Mr. BOND. Mr. President, I unanimous consent to set that amendment

aside so I may offer another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4987 TO AMENDMENT NO. 4983

Mr. BOND. The next amendment I offer, No. 4987, was designed to protect potential home buyers with additional mortgage loan disclosure requirements. I explained and discussed this amendment with the two leaders of the Banking Committee when we had the previous measure on the floor. I think the disclosure requirements were widely agreed to on both sides of the aisle, but due to the procedural situation at the time it was not accepted. This amendment would protect consumers considering complicated and potentially unaffordable mortgage loan terms by requiring a clear and simple disclosure of payments and interest rates for adjustable rate loans with so-called teaser rates. These teaser loans, with interest rates and payments that jump up to unaffordable levels, played a large role in our current subprime mortgage crisis.

Many potential borrowers either did not understand what they were getting into or were falsely assured everything would be OK.

As part of bringing relief to families and neighborhoods suffering through the housing crisis, I wish to ensure we do not face another crisis in the future because we did not correct the problem.

I have spent a good bit of time in Missouri, talking with homeowners facing foreclosure. The local government agencies, mayors, councilmen, aldermen, the advocacy groups, and the very effective counseling programs such as NeighborWorks and others who are assisting homeowners and are working on counseling those in foreclosure, but they also came back and unanimously said we have to have better information for the potential buyer before they get into it. Making sure potential buyers know the costs and do not fall into a trap that can lead to a disaster for them and serious impacts on the communities is very important.

If you have ever taken out a mortgage loan to buy or refinance a home or get a home equity line of credit, you are confronted with piles and piles of paperwork and legal jargon. I have had the pleasure of getting three new loans in the last 5 years from a local banker who doesn't do subprime. Each time I have gone through the disclosure requirements on closing. There is a stack of paper, several inches thick, that is written in legal jargon.

I used to be a lawyer. While I can read those documents, I can assure you they are not easy to understand for somebody who is not an expert in the area. I assume I am similar to most homeowners who cannot read through all the legal gobbledygook and wouldn't find it particularly edifying if they did.

When low-income homeowners who have fallen into problems responded to my question about why they didn't ask questions, they were met with: ''Don't worry about that,'' or ''We'll fix that later.'' I can assure you, those things do not get fixed quietly after you sign the papers.

Congress passed the original Truth in Lending Act and applied it to mortgage loans. We knew then most people do not take the time or have the ability to read and understand the fine print of mortgage loan documents. However, the protections in the Truth in Lending Act were written long ago and are now woefully outdated. They were written when most everyone took a 30-year fixed loan. There are many more loan tools to help people share in the dream of home ownership. There are adjustable rate mortgages; adjustable rate mortgages with initial fixed terms, sometimes called teasers; prepayment penalties and refinancing options, quicker and easier than ever before but not fully understood.

More choices are a good thing, but uneducated consumers who do not understand the choices and therefore do not understand what they are committing to is a bad thing.

I mentioned on the floor at length the story of Willie Clay, of Kansas City, MO.

Willie Clay is a Vietnam war paratrooper living largely on disability payments. Willie lives in a working-class Kansas City neighborhood of modest ranch homes called Ruskin Heights.

Willie refinanced his mortgage in 2004 for a total of $101,000. As you can see from the size of that loan, Willie is a man of modest means. He was not a speculator gambling on the housing market. He was not an investor buying a vacation rental home.

Like so many other Americans, Willie was just looking for a little extra money to pay-off his medical bills, car loan and some credit cards. Willie agreed to a subprime adjustable rate loan with an initial fixed rate of 8.2 percent.

For several years, everything went fine for Willie. He made his payments and honored his agreement. Then last October, the initial fixed rate ended and the loan reset to a variable rate. His new interest rate became 11.2 percent, and then was set to rise again in March to 12.2 percent, with more rises coming.

Willie told the Star, ''If the rate goes up again, I can't afford it.'' Willie and his wife Ina would have to give up their home and move into an apartment. Willie now admits that he never fully understood how an adjustable rate worked when he agreed to the new loan.

''I didn't have the education to understand it,'' Willie said, ''and they didn't explain it to me. I thought if the interest [rate] went down, your payment went down. If the interest rate went up, your payment stayed the same.''

Willie was now facing mortgage payments 50 percent higher than when he started. Willie was also trapped in his loan because of a $2,500 prepayment penalty. This is not just a family crisis. Willie's entire neighborhood suffered through this housing crisis. At one time, there were more than 500 foreclosures in his Zip Code alone.

On Willie's block, there were several empty houses. Foreclosed homes are driving property values down for everyone. It becomes a self-perpetuating downward spiral. That is why we need to help these people.

My amendment will apply to adjustable rate mortgages with an initial fixed or ''teaser'' rate. This is the kind of loan Mr. Clay had and millions of other Americans have. For these types of loans with teasers, lenders or brokers will be required to provide in large, prominent type the loan's fixed interest rate, the initial fixed payment, and the date on which the fixed rate will expire. The lender or broker will also need to provide an estimate of what the payment will be when the loan resets from its initial teaser rate to a floating adjustable rate. For many subprime borrowers, this jump could be quite large, and the borrowers need to be aware of it.

We would also require lenders to disclose that there is no guarantee that the loan can be refinanced before the initial fixed rate expires. That caught a lot of borrowers who knew the terms of their loan could go up after the teaser rate expired, potentially to unaffordable levels. But any concern they had that they could not afford their loan in the future was put to rest by personal assurances by a broker that there would be no problem refinancing the loan before the teaser rate expired. For many, this turned out to be true, but when the credit market seized up and the loan standards were raised, they were caught in an impossible situation. This amendment requires a disclosure that there is no guarantee that the borrower will be able to refinance a loan before the teaser rate expires.

The amendment also requires the disclosure of any prepayment penalty, the amount, and the expiration date. This prepayment penalty caught families like the Clays, trapping them in a bad situation. While prepayment penalties can be good, giving certainty to the lender, who can in turn provide a lower interest rate, people need to be aware of what they are getting into.

That is the theme of the entire amendment. It does not block adjustable rates, it does not block initial fixed rates. It allows prepayment penalties. These advances in the mortgage business have been good for consumers, but it just requires full disclosure. Brokers and lenders did not do enough to disclose to and educate consumers.

Mr. President, I call up amendment No. 4987 to protect potential home buyers with additional requirements.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment?

Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] proposes an amendment numbered 4987 to amendment No. 4983.

Mr. BOND. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4987) is as follows:

(Purpose: To enhance mortgage loan disclosure requirements with additional safeguards for adjustable rate mortgages with an initial fixed rate and loans that contain a prepayment penalty)

On page 522, between lines 2 and 3, insert the following:

''(iii) If the loan is an adjustable rate mortgage that includes an initial fixed interest rate—

''(I) state in conspicuous type size and format the following phrase: This loan is an adjustable rate mortgage with an initial fixed interest rate. Your initial fixed interest rate is AAA with a monthly payment of BBB until CCC. After that date, the interest rate on your loan will 'reset' to an adjustable rate and both your interest rate and payment could go higher on that date and in the future. For example, if your initial fixed rate ended today, your new adjustable interest rate would be DDD and your new payment EEE. If interest rates are one percent higher than they are today or at some point in the future, your new payment would be FFF. There is no guarantee you will be able to refinance your loan to a lower interest rate and payment before your initial fixed interest rate ends.;

''(II) the blank AAA in subparagraph (I) to be filled in with the initial fixed interest rate;

''(III) the blank BBB in subparagraph (I) to be filled in with the payment amount under the initial fixed interest rate;

''(IV) the blank CCC in subparagraph (I) to be filled in with the loan reset date;

''(V) the blank DDD in subparagraph (I) to be filled in with the adjustable rate as if the initial rate expired on the date of disclosure under subparagraph (B);

''(VI) the blank EEE in subparagraph (I) to be filled in with the payment under the adjustable rate as if the initial rate expired on the date of disclosure under subparagraph (B); and

''(VII) the blank FFF in subparagraph (I) to be filled in with the payment under the adjustable rate as if index rate on which the adjustable rate was one percent higher than of the date of disclosure under subparagraph (B).

''(iv) If the loan contains a prepayment penalty—

''(I) state in conspicuous type and format the following phrase: This loan contains a prepayment penalty. If you desire to pay off this loan before GGG, you will pay a penalty of HHH.;

''(II) the blank GGG in subparagraph (I) to be filled in with the date the prepayment penalty expires; and

''(III) the blank HHH in subparagraph (I) to be filled in with the prepayment penalty amount.

Mr. BOND. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4986 TO AMENDMENT NO. 4983

Mr. BOND. This final amendment limits the responsibility of Fannie Mae and Freddie Mac for housing entities that receive funding from the Affordable Housing Trust Fund created under the bill. The amendment prohibits the trust fund to be used for soft program costs to ensure that any of these funds be used for bricks and mortar.

It is very simple. I can read the whole thing. It says:

Notwithstanding any other provision of the law, Fannie Mae and Freddie Mac shall not be responsible for any payments either directly or indirectly to other housing entities under the Affordable Housing programs unless these GSEs voluntarily provide funding. None of these funds shall be used for soft program costs, including staff costs.

In essence, it is a very simple amendment. My concern is that, regardless of what one thinks about the GSEs, it is, I believe, unprecedented for Congress to step in and say: You are a partially privately owned, shareholder-owned entity, and you shall be paying a tax that we determine to a group of other entities over which you have no control.

People may like or dislike or want to reform the GSEs. But there are a lot of other GSEs. Are we going to go around and start telling Sallie Mae, for example: You have to fund various of these education programs.

There are other quasi-governmental agencies that I think would be very much concerned if Congress started the practice of taking these entities and telling them where they have to spend their funds. This is a backdoor way of avoiding the honest and straightforward provision of either raising the money through taxes or providing other revenue of the Federal Government.

I hope my colleagues will consider all three of these amendments. I look forward to discussing them when the time is appropriate. I thank the manager for allowing me to raise these.

I call up Amendment No. 4986.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] proposes an amendment numbered 4986 to amendment No. 4983.

Mr. BOND. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify that GSEs have no responsibility for funding housing entities under the Affordable Housing program)

Insert the following at the appropriate place:

SEC. xxx. Notwithstanding any other provision of law, Fannie Mae and Freddie Mac shall not be responsible for any payments either directly or indirectly to other Housing entities under the Affordable Housing program unless these GSEs voluntarily provide funding. None of thee funds shall be used for soft program costs, including staff costs.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Let me say, first of all, I will be very brief. I know my colleague from Iowa wants to be heard on the bill. I wish to say to Senator BOND that what we will do is try to figure out a way to handle these in order, all three of them in one or in order, or whether we will go back and forth. But we will keep him posted.

I do not how long my colleague from Iowa wants to be heard on the bill. I wish to respond to the Senator from Missouri on the issues. I presume my colleague from Alabama may want to do so as well. We will try to take them in the order the Senator offered them. We will keep him posted on how we will proceed.

The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator from Iowa is recognized.

Mr. GRASSLEY. Madam President, for the benefit of my colleagues, I know there is no time limit, but I don't think I am going to take more than 15 minutes and maybe less than that. It is kind of a rough guess, but I do not intend to take a lot of time.

I wish to start by thanking Chairman BAUCUS for his courtesy and hard work in the legislative effort that is part of this banking bill, the part that came out of the Finance Committee, the part of the bill that is hopefully going to help the mortgage problem through amendments to the Tax Code. Our goal in the Finance Committee was to develop a bipartisan tax package that responded to the needs of Americans and, in particular, the housing market. We have done so. I wish to take this opportunity to thank Senator DODD and Senator SHELBY because they have worked very closely with us in making sure our Finance Committee part of this bill can, in fact, be a part of the bill that is before the Senate.

Everybody knows Americans are struggling to keep their homes and, with that, their jobs. Economic conditions are very uncertain. In uncertain times, it is appropriate that Congress develop tax policy addressing the housing problem and try to bring a little more certainty to the economic lives of our citizens. After all, the housing problem is at the root of our current economic turmoil.

Last year, we responded to the call for help. Congress enacted the Mortgage Debt Relief Act of 2007, which was signed into law by the President. This law excludes from income discharges of indebtedness incurred by taxpayers to acquire homes. It also extends the tax deduction for mortgage insurance premiums.

Earlier this year, Congress acted quickly on a stimulus package that delivered additional relief to the American taxpayers. That stimulus package is just now taking effect as taxpayers have received these rebate checks, because they are necessary to give the economy a much needed boost.

Earlier this year, the Senate acted on a bipartisan tax relief package that

was based on the joint efforts of Finance Committee Democrats and Republicans—in other words, almost by unanimity, a bipartisan bill. The package before us as part of this housing bill is a blend of the Senate package and a House package passed a little while ago by the other body. We have carefully balanced this tax relief package being considered today on the floor, hopefully balanced it enough that it will not run into problems when it gets back to the House because certain House tax policy leaders have agreed to it.

It addresses the housing downturn but is limited so as to ensure that it helps the problem and does not create new problems. Too often, we in Congress have to be certain we do not do things too good, that we create more problems than we solve. We are mindful that any relief that benefits one sector of the public does so at the expense of another sector. The other sector, then, is the taxpaying population that carefully manages their family's budget, especially as it relates to housing costs because of the American dream of owning your own home.

Taxpayers bear the burden of a bailout of these risky mortgages that went south, so it is very important that we have a compassionate view that recognizes that taxpayers pay the ultimate tab. As we proceed to this bill, we need to keep in mind that very worthwhile principle. We need to address the housing downturn, but we need to show restraint and we need to limit the relief so that it eases the problem and does not simply create new problems. We need to be considerate of many Americans who work hard to save and buy homes and who will ultimately pay the price of this relief.

Once again, the Senate is stepping up to the plate. The tax relief package that is before us helps encourage home ownership but also provides targeted relief to homeowners who are looking to work out of this rough patch they are in when they face foreclosure or nearly face it.

The centerpiece of this bill is a temporary $8,000 tax credit to help first-time home buyers buy homes, including homes that are in foreclosure. There is a glut of homes on the market. The glut is depressing home values. It is important that this excess inventory is moved so that we help retain home values of others who are not in foreclosure or have been foreclosed on.

On that point, I think it is necessary for all of us to show praise and respect for the efforts of Senator ISAKSON from Georgia for doggedly pursuing this proposal. He has a very important and understanding background as a realtor and homebuilder. He helped us shape the proposal.

The bill also increases the cap for mortgage revenue bonds to give people with distressed loans additional options for refinancing. I wish to make it clear that this is not a bailout for homeowners. Instead, this is a provision which helps enable people to keep their homes and to pay their mortgages. We can thank the leadership of Senators SMITH and KERRY for this important provision.

Chairman BAUCUS has championed the nonitemizer deduction for part of the real property tax paid. It is in this bill. Senator KYL wanted assurances that State and local tax authorities would not pocket this new tax benefit with higher property tax assessments. This proposal is designed to ensure that property tax payers, not State and local governments, receive the direct benefit of this deduction.

This bill contains a set of reforms to the low-income housing credit. Senator CANTWELL led this effort.

A key additional reform benefits low- and middle-income military personnel who need housing near bases where they are stationed. Senator Pat Roberts, a former marine, looked out for our men and women in uniform. Senator ROBERTS needs a thank-you for that. With Senator ROBERTS' proposal, soldiers and their families in Fort Riley, KS, and other bases that have seen recent increases in population will have easier access to low-income housing.

This bill liberalizes the ability of the Federal Home Loan Banks to provide assistance to colleges and universities affected by the subprime mortgage crisis. The Home Loan Bank officials in my home State of Iowa suggested this proposal, and I was glad to pursue it and glad it is included.

Senator HARKIN, this Senator, and other Members from the Midwest have witnessed the terrible weather that hit our States recently.

We have seen the damage that has been done to our communities large and small, urban and rural in our home States. It is a devastating flood. Unfortunately, the damage goes on as I speak, only a little further downstream. All the hurt has not been calculated at this point. Once again, I have to thank Chairman BAUCUS for pledging to help us in the Midwest. Senator BAUCUS came to me and offered that help. That is something the people of Iowa and the Midwest appreciate. Having the chairman of a very important committee in the Senate on your side is important. We will not forget that.

In this bill, we have a proposal specifically targeted to help people who have lost their homes to the floods. The proposal is contained in the mortgage revenue bond package. It is patterned after a proposal adopted over a decade ago to deal with floods from the mid-1990s.

The proposal would waive the first-time home buyer requirement and lift the individual income limits. With this policy in effect, States such as Iowa, Wisconsin, Illinois, Indiana, Missouri, and Maine will be able to offer low-interest loans to families who have lost their homes to the flood. With the proceeds from these loans, families will be able to purchase replacement homes. The elements of the low-income housing reforms will also help disaster-devastated communities.

While I was thanking Senator BAUCUS, I suppose I ought to extend that beyond Senator BAUCUS to several other Senators. I better not name them because several have come up, and I will forget somebody. But they have come up to show their understanding of how serious it is in the Midwest and have offered their help. Some of these Senators in previous years have gone through the same destructive natural disasters the Midwest is going through at this very minute. I have informed Chairman BAUCUS and the leadership on both sides that the coalition of member States affected by these floods and tornadoes will refine more tax proposals in the future. We will aim to assist displaced persons and rebuild the businesses and communities affected. We will seek to offer them to this bill once it is open for amendment.

I spoke in recent days on the issue of revenue-raising offsets to tax relief. I rebutted the claims of Democratic lobbyists who were surprisingly cited in some press reports as credible sources for the Senate Republican conference. The Democratic lobbyists claimed that Senate Republicans would oppose all revenue-raising offsets. Some described our position in terms of ''theology.'' I corrected these assertions and pointed back to Senate floor debates on this point late last year. For some reason, those statements in the CONGRESSIONAL RECORD have been ignored, and Democratic lobbyists' views were substituted. The correct position is as I restate it now. I ask some folks to pay close attention so we don't get misunderstood.

Principle No. 1, if a revenue-raising proposal makes good policy sense, Senate Republicans will support it. Principle No. 2, the revenue raised should be used for new tax relief. Principle No. 3, the revenue raised should not be required for extending current law tax relief. I have explained the reasons behind that principle. Suffice it to say that we on this side don't believe in sliding down a slippery slope of guaranteeing higher taxes and higher spending. Spending drives current and future deficits.

This bill confirms the Senate Republican conference principles on the use of revenue-raising offsets. This bill contains new tax policy. This new tax policy is offset with revenue raisers that a bipartisan majority in the Senate consider improved tax policy. The main one would put in place a reporting regime on credit card payments to merchants. It is a Treasury tax gap proposal. The other significant revenue raiser would clarify the home sale exclusion rules for second homes, usually where vacation residences are involved. The revenue losses related to disaster assistance, however, are not offset. That accounting is consistent with the

bipartisan congressional practice on emergency spending and tax relief.

It has long been said that the American dream is to own your own home. Unfortunately, the subprime mortgage crisis has turned that dream into a nightmare for many Americans. The bipartisan tax relief provisions from the Senate Finance Committee that have been worked out in a bipartisan way—and, I believe, in a bicameral way through Senator BAUCUS—are in this bill. They aim to restore that American dream. We do it in a very responsible way.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 4984 TO AMENDMENT NO. 4983

Mrs. DOLE. I ask unanimous consent that the pending amendment be temporarily set aside so that I may call up amendment No. 4984, that it be reported by number and then set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mrs. DOLE] proposes an amendment No. 4984 to amendment No. 4983.

The amendment is as follows:

(Purpose: To improve the regulation of appraisal standards)

At the appropriate place, insert the following:

SEC. ___. REGULATION OF APPRAISAL STANDARDS.

Section 1319G of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4526) is amended by adding at the end the following new subsection:

''(d) REGULATION OF APPRAISAL STANDARDS.—

''(1) IN GENERAL.—Not later than 120 days after the date of enactment of this subsection, but not later than December 31, 2008, the Director shall issue in final form a regulation that establishes appraisal standards for mortgages purchased or guaranteed by the enterprises.

''(2) CONSISTENCY.—In issuing the regulation required by this subsection, the Director shall ensure that the regulation is consistent with appraisal regulations and guidelines issued by the Federal banking agencies (as that term is defined in section 3(z) of the Federal Deposit Insurance Act) and the National Credit Union Administration, including regulations and guidelines related to the independence and accuracy of appraisals, and do not conflict with any other banking regulations.

''(3) APPLICATION.—The regulation issued pursuant to this subsection shall supersede the terms of any agreement relating to appraisal standards entered into by the Director or the enterprises prior to or after the issuance of the regulation required by this subsection in final form, to the extent that any such agreement is inconsistent with the regulation. The Director shall have the authority to make determinations, at the Director's discretion and in response to requests for such determinations, as to whether any such agreements are, or have become, inconsistent with applicable regulations, and any terms of any such prior agreement that are consistent with the regulation shall not be effective until 1 year following the date of enactment of the issuance of the regulation in final form.''.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, we are going to try to work out an arrangement so people have some sense of the order in which people will be heard. We now have three Bond amendments. There is an amendment by Senator DOLE that has been offered. Obviously, we have the pending amendment of Senator REID. These are all second-degree amendments to the Reid amendment. At some point, I will want to bring closure to these amendments so we can deal with them. Senator ISAKSON may have an amendment. I would like to get to a point where we can manage those amendments, debate them, and then ask the leadership for an appropriate time to have a series of maybe three or four or five votes, depending upon what is necessary.

I yield the floor to the request for a time sequence of speakers, if I may.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, following my remarks, I ask unanimous consent that Senator CASEY be recognized to speak for 12 minutes, Senator ISAKSON be recognized to speak for 10 minutes and, following Senator ISAKSON, Senator SANDERS be recognized to speak for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Madam President, Confucius said:

The strength of a nation derives from the integrity of the home.

Today we are here to protect the strength of our Nation. We are here to help keep families in their homes.

The tax provisions in the amendment before us are meant to stabilize the housing market and boost our economy. They are designed to provide temporary, targeted, and timely tax relief for the housing market.

In 2007, 1 percent of all homes were in default. That is more than 1.2 million homes. The Nation's 2007 foreclosure rate was 2½ times what it was in 2005.

In my home State of Montana, the 2007 foreclosure rate was up almost 30 percent from 2006 and more than 50 percent from 2005.

And the number of foreclosures continues to grow. Nationwide in May, the number of homes receiving a foreclosure-related notice was up 7 percent from the month before, and up 48 percent from a year before. This means that 1 in every 483 American households received a foreclosure notice last month. That is a record high.

Behind every foreclosed property, there is a family. There is a family losing its home, and there is a family losing a piece of its future.

Our Nation's current economic weakness is largely a result of the weak housing market. More than 5 million households now owe more on their mortgage than their house is worth. That is about 1 out of every 10 home mortgages. As home prices continue to fall, these numbers will only get worse.

This amendment is a response. It would provide tax relief for homeowners, for home buyers, and for homebuilders.

It would provide an additional $11 billion of mortgage revenue bonds so that State housing agencies can immediately respond to the housing downturn. This would help homeowners avoid foreclosures, and it would increase first-time home purchases.

Mortgage revenue bonds are tax-exempt bonds issued by State and local housing finance agencies. The bonds help those agencies to provide mortgages for home buyers at below-market rates of interest.

The virtual collapse of the subprime and affordable mortgage markets has increased the demand for mortgages financed through mortgage revenue bonds. Increasing the cap on mortgage revenue bonds and providing States the option to refinance subprime mortgages can allow State housing agencies to immediately respond to homes at risk of foreclosure.

And additional mortgage revenue bonds can also help clear out the glut of homes on the market. Additional mortgage revenue bonds can lead to more first-time home purchases.

The amendment also would provide broad-based tax relief by expanding the number of people who may deduct property taxes. Currently, homeowners are allowed to deduct local real estate property taxes from their Federal tax returns only if they itemize. According to the Joint Committee on Taxation, more than 28 million taxpayers pay property taxes, but do not itemize.

This proposal would allow these 28 million taxpayers to deduct the amount of their property taxes, up to $500 for individuals and $1,000 for married filers. They could take this deduction even if they did not itemize their deductions.

This change would benefit low-income individuals. It would benefit those who have already paid off their mortgages and thus don't have that reason to itemize. It would benefit young families just starting out, and it would benefit senior citizens.

The Congressional Research Service estimates that nearly 130,000 property taxpayers could benefit in my home State of Montana alone.

Listings of distressed properties dominate the real estate market. In the first quarter of this year, one out of every four home sales was a distressed sale. The papers are full of foreclosures and vacant new homes.

As of April 2008, there were more than 456,000 newly constructed homes for sale on the market. That is more than 10 months worth of supply. And according to the National Association of Realtors, 4½ million existing homes are for sale on the market.

To help reduce the excess inventory of foreclosed, vacant, and existing homes, the amendment includes a one-time home buyer credit of $8,000.

The credit would apply to first-time home buyers. It would begin to phase

out for home buyers with incomes of $75,000 for individuals and $150,000 for joint filers. The purchase of the home would have to be on or prior to April 1, 2009. And the credit would be repaid over 15 years at zero percent interest.

The short-term nature of this credit is critical. It would help to provide immediate stimulus to put homebuilders, and the housing industry, back on track, but it would also avoid oversubsidizing the housing industry.

The amendment would also make critical improvements to the Low Income Housing Tax Credit program. This program is the engine that drives low-income rental housing in America. But it is long overdue for a tuneup.

The amendment would increase the total number of credits available by 10 percent per State. And the amendment would broaden the investor class by allowing the credit to be taken against the AMT.

The State housing finance agencies are good stewards of this Federal program, and the amendment would give these agencies more discretion to allocate credit dollars to projects that the State deems a high priority.

These tuneups would help to make this engine run more smoothly, and they would lead to an increase in affordable rental housing across the country.

The amendment would also allow taxpayers to choose to take a refund of AMT or R&D credits in lieu of bonus depreciation deductions. Companies without Federal tax liability cannot use the tax deductions. But under this amendment, they could take advantage of a refund, and they could use that funding invest in capital assets. That would create and maintain jobs.

These proposals would be fully paid for by responsible offsets. As much as possible, we should avoid increasing our national debt and our reliance on foreign creditors.

The amendment includes a House-passed proposal to close a loophole involving the sale of second homes. It would apply to houses that are used both as a principal residence and for other purposes. An example would be a principal residence that also was used as rental property.

Under current law, an owner can exclude income from the sale of that second home. The owner just needs to have lived in the home for 2 out of the last 5 years.

The proposal would limit the gain that the owner could exclude from income when the owner sells the residence. The idea behind the proposal is that a personal-income exclusion should be limited to the personal use of the residence.

A second pay-for would require information reporting on credit card transactions. It would also apply to many online transactions. Merchant banks that settle credit and debit card sales would report annual gross payments to the businesses making the sales and to the IRS. Third-party networks that facilitate electronic transactions would do the same.

In response to concerns about possible burdens this proposal could put on small e-business sellers, the proposal contains a de minimis exception. The exception excludes from the reporting requirements operations with aggregate sales of $10,000 or less a year. The exception would also exclude a volume of 200 transactions or fewer.

The proposal gives ample time to banks and others so they can program their systems and verify the information they need from sellers before issuing the information documents.

This proposal does not raise taxes on anyone. These information reports would just cause people to file more accurate returns.

The administration has included this proposal in its annual budget for the last 3 years. Earlier this year, Senator GRASSLEY and I released a bipartisan staff draft of the proposal for public comment. Working together with the House, we have taken these comments into account to develop a proposal that reflects industry practices and will improve tax compliance.

The amendment also enhances several IRS penalties. These penalties encourage the filing of timely and accurate tax and information reporting returns. These filings are the cornerstones of effective tax administration and voluntary tax compliance.

A lot of irresponsible actions led to the current housing crisis. But now a lot of responsible homeowners, home buyers, and homebuilders are caught up in the mess, and they cannot afford to wait any longer for our help.

The tax provisions in this amendment would go a long way to address the housing downturn and the economic weaknesses in our country. So I say, let's help these folks. Let's help them keep their homes and thereby help them sustain the economic strength of this Nation. And let's adopt this housing amendment.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Madam President, I rise today to talk about the state of the American economy in the midst of our current housing crisis, and, of course, the legislation that is before the Congress today and the need for action in this Congress, in this Senate, not just for Wall Street firms but for Main Street families and small businesses.

A little over a month ago, the Senate Banking Committee held a field hearing in Philadelphia—I think the first of its kind since this Congress began and this Senate convened last year. Chairman DODD chaired the hearing, convened it, and I was with him that day.

One of the witnesses was a subprime borrower. Her name is Yajaira Cruz-Rivera. In 2005, she and her husband purchased a home. She was told by her broker she would get a fixed-rate loan. She made out a family budget, and she was told she was getting a fixed-rate payment of $925 per month. She told her broker she did not want anything with tricks in it that would change her payment, and that is what she was told she was signing.

I would like to read some of her testimony of what happened next. These are her words:

> Just 10 days later we received a letter in the mail stating that a mistake had been made at closing. The interest rate we were given was not going to be 7% but rather 10.95%. Our payments would not be $925 but rather $1200. We considered backing out then, but we had already moved into [our] home. Our children were settling in, to pack everything back up was something we could not do. We had already put so much money out. Fred and I—

Fred is her husband—

> Fred and I decided that although we would struggle, we would make it.

All of the evidence presented to the Banking Committee in hearings stretching back over a year indicates that many of the homeowners who find themselves in trouble started with a story just like Ms. Cruz-Rivera's story. This is not simply a problem in some cities.

A leading research institution in Pennsylvania, the Keystone Research Center, found nine counties in Pennsylvania where subprime mortgages make up 35 percent of all mortgages—35 percent. One of those nine is Philadelphia. The other eight counties in this Keystone Research Center survey are the following counties—Cameron, Clearfield, Fayette, Forest, Jefferson, Monroe, Venango, and Warren.

All of those counties outside of Philadelphia that I just mentioned are rural counties for the most part. So this is not just a problem in cities and urban areas. It is a major problem in rural counties in Pennsylvania and across the country.

More than 1 million homes are now in foreclosure—a new national record, unfortunately. Over 8,400 homes are entering foreclosure every day—8,400. Unless we act, an estimated 3 million homes will enter foreclosure this year, and 2 million homes will be foreclosed upon in that time.

We know the job losses: 324,000 jobs lost already this year. We know the data from the economists. One economist, Robert Shiller, has estimated that the subprime and foreclosure crisis could cost American homeowners $6 trillion in lost household wealth—a record. That is $80,000 per homeowner. At the same time, the average American family income is just $50,000 a year. We know the adverse impact it has had on student loans. There is problem after problem resulting from the foreclosure crisis.

So what do we do? We should pass the legislation on which Senator DODD has worked so hard, working with the ranking member, Senator SHELBY.

Let's quickly go through the legislation.

No. 1, government-sponsored enterprise reform legislation to give an effective regulator for the GSEs; No. 2,

the HOPE for Homeowners Act would establish a new initiative at the FHA to prevent foreclosures; No. 3, the SAFE Mortgage Licensing Act, creating a Federal registry and establishing minimum national standards for brokers and lenders; No. 4, the Foreclosure Prevention Act, providing assistance and counseling so needed in this crisis; No. 5, the Housing Assistance Tax Act of 2008, providing tax benefits for homeowners, home buyers, and homebuilders aimed at providing housing market recovery.

Unfortunately, there are some Senators in this Chamber who do not seem to see the need for action on this crisis. I want to show a chart which summarizes the principles of this basic legislation. It is very important to highlight these. There is a lot of rhetoric that is misleading.

Basic principles: Here is what happens with this legislation. No. 1, it creates new equity for homeowners. We have to do that. No. 2, there is no bailout for investors or lenders. We have heard a lot of that talk here. It is not true. This is not a bailout. This is a way to dig our economy out of a huge hole. No. 3, borrowers do not receive a windfall. They have a stake in this, and they have to sacrifice as well. It is not any kind of a windfall for borrowers. Finally, and maybe most importantly for people who are following this debate, this is not taxpayer money we are talking about.

OK. So this is a very responsible plan. I want to return to the story I started of Ms. Cruz-Rivera. She had asked for and was told, as I mentioned before, she was receiving a fixed-rate mortgage with no gimmicks and no tricks. Then, 10 days after closing, she found out her interest rate would not be 7 percent but 10.95 percent. The payment would go, as said before, from $925 to $1,200.

The story does not end there, unfortunately for her. She and her husband sat down, and they decided to tough it out, to try to work their way through this adverse news they got. Here is what she said. I am quoting her again:

> Then, in 2007, the unthinkable happened. Our rate adjusted upward and our new payment was now $1,671 a month. A home we thought we were getting for $925 a month in 2005 is costing us nearly double that today.

She is talking about her husband again. She said:

> My husband works 16 hour days, 6 days a week, but still we are not able to keep up with the payment.
>
> We explored refinancing but now our credit is damaged and on top of that we have a repayment penalty; if we do refinance we have to pay GMAC a huge fee upfront. We have been trapped into a terrible loan by greedy, predatory and fraudulent lending practices.

So that is the reality of what we are talking about. We are not talking about bailouts. We are not talking about going easy on people. We are talking about helping people who, in many cases, were deceived deliberately by players in the market who were unregulated and getting away with murder—almost literally.

People know the acronym ACORN, the Association of Community Organizations for Reform Now. They are helping people such as Ms. Cruz-Rivera. They are helping a lot of other people. We hear a lot of talk in this body and across the way in the House, the other body, about moral hazard. People talk about that issue all the time—that some people should have known better, and you can fill in the blank about that.

It is not often we hear economists talking enough about morality when it comes to this issue. In fact, the situation we find ourselves in today is a direct result of parts of this industry—not all, but parts of this industry—trying to maximize profit without any regard to any sense of morality or standards.

So I find it ironic that the greed that some of us have been talking about is not included in that definition of ''moral hazard.'' But there are solutions out there.

I will conclude with this: The city of Philadelphia recently announced a program that will specifically target borrowers who cannot afford payments on adjustable-rate mortgages and are in danger of foreclosure. Any property scheduled for sale by the city of Philadelphia right now by the local sheriff's office will be referred to officials who will in turn negotiate with lenders in an attempt to restructure the loan so the borrower can afford the monthly payments.

I commend the city and especially Mayor Nutter, the mayor of Philadelphia, for his leadership on this and many other housing issues. It is critically important we remember there is, in this nightmare for so many families, solution-oriented thinking out there in addition to the important legislation we have before us.

The time has come for the Senate to finally act—to act, not just to talk but to act on this issue—to put a floor under the housing market. It is time at long last for the Congress, and especially for the Senate, to finally act, but also in the process of acting, to help families stay in their homes.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Madam President, I rise, first of all, to commend Senator DODD, Senator SHELBY, Senator GRASSLEY, and Senator BAUCUS on a piece of legislation that is important, and which I will vote for.

I am going to talk for a few minutes about some suggestions for the managers of this bill to think about as we get toward a final managers' amendment at the end of this debate because there are a couple technical changes that could make a significant difference.

But, first of all, I want to make sure one thing is said. We hear a lot about bailing out lenders and lenders being bad guys. Let me tell you something. The people who originated these loans loaned money that was raised on Wall Street by investment bankers and underwritten by Moody's and Standard & Poors. Moody's and Standard & Poors underwrote securities that were bought around the world by investors, that paid a high dividend but were on very risky subprime credit. That is where the fault lies—Moody's and Standard & Poors and on the investment banking community.

As a parenthetical suggestion, I hope Wall Street is listening because what is happening in the commodities market is the same guys doing the same thing again. If you look at the rapid price of all commodities, they are going up because of a huge influx in the commodities market. The only position-limited people in the commodities market are investment bankers. They are creating paper and they are trading paper and they are getting the Yale endowment fund, the Princeton endowment fund, and teachers' pension funds going into these as if they are investments, and they are not investments. They are a hedge in commodities.

So that is just a little early warning shot. If we will look closely at this, I think we can find the culprit to the subprime may actually be a significant contributor to what is going on in commodities.

But, again, to Senator DODD, Senator SHELBY, Senator BAUCUS, and Senator GRASSLEY, thank you very much for what is basically a fine piece of legislation. I urge you to look at the effective date of the tax credit that is included. As I read the bill, it includes the original dates from 2 months ago, which means the tax credit, when it goes into effect, will end at the end of April next year, which will be less than a year. May and June are the prime buying months in real estate. What we are trying to do is induce a decline in the inventory of houses on the market. I know it was not intended, but I think the managers should take a look at that.

Secondly, I know there is a difference between the House and the Senate with regard to the effective date over the GSE regulator for Freddie and Fannie. One side wants it immediate; one side wants it in 6 months. We do not need to have this bill go down because they cannot get their act together. So I hope they will work to find common ground on the effective date. On the FHA refinance program—Senator CASEY is precisely correct. This is not a bailout for the lenders. This program allows for the refinancing of a troubled subprime loan whose payoff amount is more than the value of the house because of the decline in the marketplace. For it to be refinanced it requires the lender to take the hit between the amount owed and the market value. So the loss the lender is going to have to be recognize in a foreclosure will, in effect, have to be recognized in a refinance, but the homeowner stays in the house and the values in the neighborhood stabilize. We

are doing a good job, in my opinion, of putting an end to what is a desperate downward spiraling in the housing market which is affecting the economy because most Americans consider their equity their line of credit for their consumer spending. With that equity vanishing because of increased inventories, increased foreclosures, and increased vacant houses, we have a very big problem.

So I wish to commend Senator DODD and Senator SHELBY. Some of this is technical, but it needs to be said. Freddie Mac and Fannie Mae saved the American housing market in the early 1990s when the savings and loans collapsed. There was no liquidity in America for mortgages. Had we not created those government-sponsored entities and allowed them to securitize mortgage paper and operate to provide the liquidity in the markets, there would be no mortgages for the American people, and we would have a disaster on our hands.

I appreciate the final language addressing two of the three concerns I had with the GSEs. No. 1, I am glad the House and Senate could agree on loan limits for both conforming and nonconforming jumbo loans. If we had not done that, we would have provided liquidity for mortgages that we didn't need to finance or refinance and not enough liquidity for mortgages that are needed in the marketplace, particularly in high-cost areas around the country.

Secondly, I appreciate the provision for the ability of Fannie Mae to portfolio jumbo loans because if they couldn't do that, there would be no liquidity. But I still question whether the language in the bill as it stands now directs more securitization and less portfolio. If you have too much securitization but don't have the opportunity for liquidity to be provided by letting these entities carry that on their balance sheet, then the effect is you say you are doing something, but, in fact, you don't provide liquidity. But I do appreciate very much the managers of the bill making those changes.

Lastly, with regard to the housing tax credit, I appreciate what Senator GRASSLEY said, and I appreciate the kindness of Senator DODD in the original debate by incorporating in the Senate bill substantially the amendment that I offered on the floor when this bill first came to the Congress. I was around in the real estate business back in 1974 when America had a similar crisis to the one we have today. The Congress of the United States passed a $2,000 tax credit to buyers who bought a standing vacant house in America. Within a year, we absorbed substantially all of the standing inventory in the country and revitalized the housing market, revitalized equities and values, and we came out of what was a very substantial real estate-induced recession.

I would have preferred some of the terms that I had in my amendment over some of the terms that the House changed them to with this tax credit, but it still accomplishes its purpose. It is a tax credit of $8,000 to a first-time homebuyer with income limits of $150,000 for a couple and $75,000 for an individual to go into the marketplace and buy and occupy—not as an investor but to occupy as an owner—standing inventory, new or resale, in the United States of America. That is going to be a big help to put a little fuel and energy and inertia behind a real estate market that is stagnant.

So I thank Senator DODD, Senator SHELBY, Senator GRASSLEY, Senator BAUCUS, and particularly the Finance Committee staff who were so cooperative in working on this concept. I think we are going to see it prove to make a marked difference. If that end date of April 30 is changed in the final amendment to the end of June of next year, we will incorporate 2 more months where it can have an incentive effect. It would not affect the scoring because the scoring was done as if it was done in a 12-month calendar year.

So to Chairman DODD and to Ranking Member SHELBY and Senator BAUCUS and Senator GRASSLEY this is a very important piece of legislation. America has a serious problem. This doesn't bail anybody out, but it incentivizes buyers to come back to the marketplace. It provides liquidity to refinance loans that are underwater. It motivates, inspires, and provides liquidity in the marketplace through Freddie and Fannie that does not exist right now. Failure of the Congress to act, in my judgment, is going to cause us to have a protracted and devastating economic decline resting solely on the fact of the decline in the values of homes in America, the increase in the number of foreclosures, and the lack of liquidity in the lending market.

I encourage my colleagues to vote for this legislation. I hope the President will sign it. Again, I thank the Members of the Senate who worked so hard to provide good, substantial legislation to the housing market in the United States of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Madam President, I ask unanimous consent that following the remarks of the Senator from Vermont, that I have 7 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized.

GAS PRICES

Mr. SANDERS. Madam President, every American understands that we now have a national crisis in terms of the outrageously high price that we are paying for energy. In Vermont and all over this country, workers are wondering how they can afford to fill their gas tanks. Truckers using diesel are going out of business. Senior citizens and others are worried with dread what happens to them next winter when the cost of home heating oil is off the roof. As a result of high oil and gas prices, the cost of food and other products is also rising, and our entire economy—and, in fact, the world economy—is suffering.

The question that millions of people are now asking is pretty simple. They want to know what this Congress can do now—not in 10 years or in 20 years but now—to lower the outrageously high price of oil and gas. Further, they want to know what we can do long term to make sure our country is energy independent; that we don't continue to import huge amounts of oil from the Middle East or elsewhere. They want to know what we are going to do in the midst of all of this to address the crisis of global warming and the droughts and the severe weather disturbances and the floods that we are seeing as a result of global warming.

Lastly, they want to know in the midst of all of this, long term, how do we make sure that the cost of energy is affordable. These are the issues the Congress has to address.

But let's be very clear. These issues will not be debated in an intellectual realm where we are just trading ideas. This debate is going to be clouded by the enormous power and money of special interests.

Since 1998, the oil and gas industry has spent over $600 million on lobbying—$600 million on lobbying—and since 1990, they have made over $213 million in campaign contributions. So they are extremely powerful. They have an unlimited supply of cash. They are using that power and that money to influence this debate. Anybody who doesn't understand that is very naive, indeed.

If we are serious about lowering oil and gas prices today in a significant way, it seems to me we have to address two fundamental issues. First, the reality is that the American people are getting sick and tired of paying over $4 for a gallon of gas at exactly the same time as the major oil companies are making record-breaking profits and providing their CEOs with outrageous compensation packages. Enough is enough. The greed of the oil industry apparently has no end, which is why Congress must impose a windfall profits tax and use some of that money to give back to people through rebate checks.

In the last 2 years alone, ExxonMobil has made more profits than any corporation in the history of the world, making over $40 billion last year alone. But ExxonMobil is not alone. Chevron, ConocoPhillips, Shell, and BP have also been making out like bandits. Last year, BP, for example, announced a 63-percent increase in their profits for the first quarter of this year. As a matter of fact, the five largest oil companies in this country have made over $600 billion in profits since George W. Bush has been President, while working people are paying $4, $4.20 for a gallon of gas. That is unacceptable.

What have they been doing with these huge profits? One of the things they have been doing is to make sure that the CEOs of their companies are extremely well compensated. In 2005, Lee Raymond, the former CEO of ExxonMobil, received a total retirement package of over $398 million. People in Vermont and around America are wondering how they are going to stay warm next winter. The former CEO of ExxonMobil receives a retirement package of $398 million.

In 2006, Ray Irani, the CEO of Occidental Petroleum—the largest oil producer in Texas—received over $400 million in total compensation. That is going on all over the industry: the heads of these corporations who are making record-breaking profits receiving huge compensation packages.

The situation is so absurd and the greed is so outrageous that oil company executives are not only giving themselves huge compensation packages in their lifetimes, but they have also created a situation, if you can believe it, where they have carved out huge corporate payouts to their heirs if they die while they are on the job. It never ends.

Let's be clear. Oil companies have a right to make a profit, but they do not have a right to rip off the American people.

Some of my Republican friends claim that big oil needs to keep these huge windfall profits so they can increase production and build more refineries. They are going to take this money and they are going to use it to create more oil for the benefit of the American people. That particular argument does not hold water. Big oil companies have been making windfall profits for over 7 long years, and they are not using these profits to build more refineries or to expand production. Instead, they are using this money to buy back their own stock, increase dividends to their shareholders, and, as I just mentioned, pay outrageous compensation packages to their CEOs.

Since 2005, the five largest oil companies have made $345 billion in profits, but they have spent over $250 billion out of the $345 billion buying back stock and paying dividends to their shareholders. That is where their profits are going, not investing in future oil production. Last year, ExxonMobil spent 850 percent more buying back its own stock than it did on capital expenditures in the United States.

Here is my final point on that issue: The $38 billion in windfall profits that ExxonMobil gave back to shareholders last year could have been used to reduce gas prices at the pump throughout the United States by 27 cents a gallon for the entire year.

Dealing with the greed of the oil companies is one immediate issue that we have to address. The second one deals with the growing reality that Wall Street investment banks, such as Goldman Sachs, Morgan Stanley, and J.P. Morgan Chase, and greedy hedge fund managers are driving up the price of oil in the unregulated energy futures market. There are estimates that a number of committees in the Senate have heard from different experts who testified that the price of a barrel of oil today is 25 to 50 percent higher than it should be because of excessive manipulation of oil futures markets and excessive speculation. This is an issue that must be dealt with.

Some people say: Well, we don't know anything about this. This has never happened before. Wrong. As I think most Americans understand and remember, manipulation of energy markets is nothing new. It is recent history. Everybody remembers that in 2000 and 2001, Enron successfully manipulated the energy markets on the west coast, driving up prices by 300 percent. During the midst of that controversy, they were saying: Oh, it is not us, it is supply and demand. It was them, and some of those guys are now in jail for the fraud they committed on the people of this country. That was Enron. But it is not just Enron.

In 2004, energy price manipulators moved to the propane market. That year, the CFTC found that BP artificially increased propane prices by purchasing enormous quantities of propane and withholding the fuel to drive prices higher. BP was fined $303 million for manipulating propane prices. Again, this is not a new concept; that is what they do.

In 2006, energy price manipulators moved to the natural gas market when Federal regulators discovered that the Amaranth hedge fund was responsible for artificially driving up natural gas prices. Amaranth cornered the natural gas markets by controlling as much as 75 percent of all of the natural gas futures contracts in a single month. Amaranth eventually went out of business, went bankrupt, and the price of natural gas went down. So if you are looking at Enron, BP, Amaranth, why would anybody be shocked that today there are financial institutions manipulating the oil markets as we see it?

The Commodity Futures Trading Commission has the authority and the responsibility to prevent fraud, manipulation, and excessive speculation in U.S. commodity markets. Unfortunately, this authority and responsibility has largely been abdicated through the use of over-the-counter energy derivatives that are largely unregulated and by foreign boards of trade that have received no-action letters from the CFTC to operate terminals inside the United States, trading U.S. commodities to U.S. investors free from regulatory oversight.

That is an issue we must deal with and we must deal with now. If we are serious about lowering oil and gas prices today, we have to deal with the greed of the oil companies and with the speculators. Long term, of course, we have to move this country away from foreign oil, away from fossil fuel, to energy efficiency, to sustainable energy, and the potential there is enormous. That will help us deal with greenhouse gas emissions, in terms of global warming and, in the process, we can create millions of good-paying jobs.

Let me conclude by saying that if this Congress, in the very short term, does not deal with these issues, there are going to be people who are going to go cold this winter, not only in the Northeast but all over the Northern tier of this country. That is why I am going to do my best in this bill, and/or as soon as possible, to bring forth an amendment to substantially increase funding for LIHEAP.

The National Governors Association supports over $5 billion for LIHEAP. They are exactly right because, as the price of home heating oil and other fuels explodes, we are going to simply need to substantially increase funding for LIHEAP if we are going to make sure people don't go cold this winter. I look forward to working on this issue in a bipartisan manner.

Bottom line: Short term, going after the oil companies and dealing with speculation. Long term, we need to transform our energy system away from fossil fuels to sustainable energy. We must substantially increase funding for LIHEAP.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

GAO SUSTAINS BOEING'S PROTEST

Mrs. MURRAY. Yesterday, the Government Accountability Office issued its ruling on Boeing's protest of one of the largest defense contracts in history: the Air Force's decision to choose the European company Airbus to supply the next generation of aerial refueling tankers.

In that ruling, the GAO agreed with Boeing that there were fundamental flaws in the process from the very beginning. GAO's attorneys found the Air Force made a number of significant errors that unfairly misled Boeing and favored Airbus.

They recommended that the Air Force reopen the contract, get new proposals, and make a decision that corrects the errors GAO found.

Madam President, to me, that decision was not a surprise. Air Force and Pentagon officials have told me, time and time again, that they followed the law and this contract would stand up to review.

But since the very beginning, it has been very clear that Airbus tankers did not meet the Air Force's needs—no matter what its public relations campaign has said.

Even though the Air Force claimed it had selected the cheaper plane and made no mistakes, we learned last week it had made a critical error when calculating the operating costs of the two tankers. The Air Force is now acknowledging the Airbus plane actually costs tens of millions of dollars more.

Two weeks ago, Defense Secretary Gates forced out the top two Air Force leaders—Secretary Michael Wynne and

his Chief of Staff, GEN Michael Moseley. By doing that, he expressed a serious lack of confidence in their leadership and lack of oversight. All along, the Pentagon has refused to answer even basic questions about this contract.

I, and the many others who have raised concerns about the Air Force's decision, now expect a thorough and honest response from the Pentagon to the GAO's decision.

But as I have said all along, the GAO ruling answers only one overarching question that has been raised in this process and that is whether the Air Force followed the letter of the law when it chose Airbus for the contract. That means that even if it was obvious that Airbus's plane was wrong for the war fighter and for the taxpayer, it could not push for answers.

That is Congress's job, and we in Congress, who represent the American taxpayers, have to continue to press for real answers to those hard questions. We in Congress need to know why the Air Force chose a plane that is bigger and less efficient than it asked for—one that cannot use hundreds of our runways, ramps, and hangars, and one that will cost billions of dollars more in fuel and maintenance.

We in Congress need to know whether our Government should buy a plane that even the Air Force says is less survivable, less able to keep our war fighters safe. We in Congress need to know what the effect on our economy and our national security will be if we turn this technology, which is vital to this Nation, over to a company that is owned by foreign governments.

The U.S. Trade Representative is so concerned about the subsidies Airbus receives that they have brought a case against the EU before the World Trade Organization. We need to know why in the world we would accuse Europe of unfair trade practices and then turn around and hand Airbus a major piece of our defense industry. We need to know why our Government would hand them the contract now.

In May, employers cut 49,000 jobs in the United States. It was the largest 1-month jump in unemployment in 22 years. Yet the administration, right in the middle of this, wants to send 44,000 U.S. jobs overseas, when we are hemorrhaging jobs here at home.

On the day in February that the Air Force first announced it awarded this plane to Airbus, I was out on the 767 line, in Everett, with our Boeing workers. I will never forget the shock and disappointment in their eyes. One woman came up to me and said:

> I can't believe this. My son is currently flying these tankers over in Iraq, serving our country. I want to build those planes with my taxpayer dollars to make sure he is safe and we know what is in that plane.

Yesterday's GAO study proved she was right and she is vindicated. We now have the right process to move forward on this and make a good decision not only for that mom but for American taxpayers and for America's security for the future.

For months now, I have been saying this process was flawed. I have been saying we should not hand over billions of dollars and thousands of jobs and that Boeing should build those tankers. The GAO's decision backed up all my concerns. The process was flawed. Now we need to know why. We should not be buying more expensive planes built in France. That seems obvious. With a level playing field, Boeing builds the best tankers at the best price.

By reevaluating this deal with the proper criteria that GAO outlined, I am confident the Air Force will, in the end, agree with me and award this contract to Boeing—I hope in short order. I hope our airmen and airwomen will soon have the best possible plane to carry out their missions.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, let me begin briefly by thanking our colleagues who have come and spoken on the bill already this morning. I thank Senator BOB CASEY, of Pennsylvania, a member of Senator SHELBY's and my committee, the Banking Committee, for his remarks. I also thank JUDD GREGG, of New Hampshire, who, while not a member of the committee, has followed our work very closely and has been intimately involved with the committee over the last number of months as we were developing the Homeowners Act, an idea he brought to the table. He brings a good historical perspective—going back to the Resolution Trust Corporation and dealing with another housing crisis and how well that idea worked; and while we are not exactly duplicating it, he has knowledge of how that worked and an understanding of the basic idea behind the bill that we have authored over the last several months, which is very helpful.

I know Senator SHELBY and I are grateful, as are other members of the committee, for having a nonmember of the committee understand the issue as well as he does. His support of what we are trying to do is very helpful.

I thank Senator BAUCUS and Senator GRASSLEY as well. Senator SHELBY and I are not dealing with the tax-writing provisions of this bill and they have been helpful and cooperative and, obviously, their ideas are a strong complement to what we are trying to achieve—with mortgage revenue bonds and tax incentives for those who acquire foreclosed properties, and the like, are very helpful. They have disregarded earlier provisions included in the tax proposals and, candidly, I think those ideas being kept out of this bill is healthy. I don't dwell on it. Frankly, I think their appraisal of the various ideas is very constructive. We thank the tax-writing committee, the Finance Committee, which has done a good job in complementing what we are trying to do.

Senator JOHNNY ISAKSON, of Georgia, deserves a great deal of credit. He brought up the idea of trying to create some incentives for those who might purchase foreclosed properties. In his previous life, he worked in this area, and he has a firm knowledge of it. So his cooperation on that, as well as other aspects of the bill, his enforcement and support of this legislation and his intention to back it is a further indication of the effort we have made on a bipartisan basis to make this a good bill, not just because it has bipartisan support, but I think that is indicative of the kind of effort that has been made that brings us to this moment.

I note that in this morning's local newspaper, the Washington Post, the leading headline is, ''DC Region's Foreclosure Rate Soars.'' It says that although communities have felt the effects of the housing crisis for months, the report reveals that foreclosures in the Washington region have been increasing at a surprisingly quick pace, outstripping those of most metropolitan areas. It points out that while foreclosures were practically nonexistent in Washington 18 months ago, it is now very prevalent and way above the national average.

I point that out because that is unique here. It makes a point. As I showed earlier this morning, with the graph we put up, we have the numbers now for May on the foreclosure rates. Over 8,400 people are going to foreclosure every single day in America. That number was below 8,000, in the mid-7,500 area, only a few weeks ago.

For those who would suggest that we ought to wait this out, or see what happens down the road, explain that to the 8,000 families today who may lose their homes, the 8,000 tomorrow and the 8,000 the following day and the day after that and all next week, as we grapple with this bill, where as many as 50,000 or 60,000 families will be adversely affected while we debate whether this is a perfect bill. My patience is thin. We have worked so hard on this. So for those who suggest it is a bailout for a lender—I have heard a lot of arguments, and when you have people losing homes every day, neighborhoods being destroyed because of it, including financial aid for students, municipal finance, commercial lending, and the global implications and trying to put a bill together that will bring some confidence back to the marketplace, and to suggest this is a bailout for some bank—it is anything but that. In fact, it is quite the opposite. Senator SHELBY and I have had 50 hearings since last March on this subject matter—almost exclusively on this subject matter—and we have had these individuals before our committees explaining to us why they were giving out adjustable rate mortgages to people on fixed incomes, knowing very well these people could never, ever pay the final fully indexed price of those properties. Yet they did it, day in and day out, knowing full well what the implications would be.

The very companies they claim are being bailed out are exactly the ones that were engaging in that, and the last thing we are doing is providing any kind of support and assistance for them. We are trying to see to it that we restore some semblance of confidence in this area and we are planning to keep as many people in their homes as we can.

Have we written a miracle? Absolutely not. Will this work? I hope so. Do I have an assurance it will? No. All I know is it is our best judgment, based on the wonderful, competent people who don't bring an ideological perspective to this—from the American Heritage Foundation to the Consumer Federation of America and groups in between. They have said this is the best idea we could come up with to address this issue. They would also be the ones to tell you there is no assurance it is going to work. It is a voluntary program. We don't mandate anything here; we are just creating the opportunity.

I say to my colleagues that history is somewhat of a teacher in all of this. Back in the last period when we had a housing crisis of this magnitude, back in the 1920s and 1930s, another Congress did it differently. In that case, the Federal Government actually purchased distressed mortgages. Senator SHELBY and I are not suggesting anything such as that. We are talking about an insurance program. It is a voluntary program that creates a new, temporary program. It ends in a few years. It is merely an effort to step in here and try to make a difference in all of this.

I will go back over some of the specifics of this—the HOPE for Homeowners Act—as well as the issue dealing with the affordable housing provision and how we managed to do this without a tax increase. We have a wonderful symmetry of liquidity being strengthened, a regulator being imposed on these GSEs, and a source of revenue coming from that which can also assist in another area of needed housing.

We think this has a rather good sense of balance.

But again, I am very grateful to the Finance Committee, Senator BAUCUS and Senator GRASSLEY, and to the Members who have spoken out, both Democrats and Republicans, this morning, those who have come together and said this is a good bill deserving of our support. We hope the rest of our colleagues, as they come forward with these amendments, will be so inclined to stand with us and support this bill, and urge the White House to sign it into law.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Madam President, I commend the chairman of the Banking Committee, Senator DODD, for his work on this package of legislation. It is a package. It is dealing with the reform of the government-sponsored enterprises, GSEs, which desperately need to have a strong regulator because they play such a huge role, probably the primary role by a long shot right now, in our housing industry. They need to be properly regulated because they are a government-sponsored enterprise, and that is part of the legislation I have pushed.

Senator DODD and I have worked together. He is pushing the housing legislation, but I agree with him. If there were any inkling of a bailout for anybody here, we wouldn't be a part of it in any way, and no one would in the Senate. So that is a red herring. But this will give some hope and opportunity for some people to probably save their homes who otherwise wouldn't be able to.

We need to pass this legislation now. If we could get this legislation to the President's desk, and he would sign it, which I hope he would by the 4th of July, by the end of next week, this would be a significant feat on our part. I hope we can do it.

I also want to take a moment, as Senator DODD did, and commend other Senators for their work. Senator ISAKSON knows a lot about housing. He grew up in housing. He has been very successful at it, and he brings that experience and knowledge to this body in the Senate. The housing tax credit, not to bail out anybody but to help people save their homes, was I believe originated by him. He is pushing this provision, and we commend him for helping us on this.

I commend my friend and colleague from New Hampshire, Senator JUDD GREGG, the former chairman of the Budget Committee, now the ranking member. He knows a lot about all the problems in this country. He is very insightful. He sees this legislation, overall, as a good package and a good piece of legislation.

I hope we will be able today and tomorrow to pass this legislation, if the Senate is willing, and go to the next step, because there are a lot of people who will possibly be able to save their homes because of this.

Will this save everything in America? No. But it will be a good first step and it will be profound, meaningful legislation, and so I commend it to the Senate this afternoon.

Madam President, I yield the floor, and 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. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SALAZAR). Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. CRAIG. Mr. President, over the course of the last several days I have refrained from speaking on the floor about energy. But I have watched the floor very closely as I have seen kind of an interesting duel going on. An advocate of drilling, I found it fascinating that some on the other side of the aisle were saying that if we opened our outer continental reserves and drilled them, it would simply make no difference to the current state of play in the oil market or the price of gas at the pump. I find it not only interesting that that kind of conclusion is being drawn, but I also find it phenomenally naive that kind of statement can be made.

It is my opinion, and I think the opinion of a good many, that we are in a classic supply-and-demand situation in the Nation and therefore the world's oil markets. There is alleged speculation. There is alleged manipulation. I don't know whether any of that is true, but I do know the facts of what we live with and have lived with for the last several years.

There have been many of us in Congress who said there would be a day of reckoning if we continued to consume oil at a greater rate than we were producing and refining and bringing it to the marketplace. I believe it is very possible that day of reckoning is at hand. The world market in which we acquire our oil, the world market in which gas is refined from oil, is just that—a world market. It is not a domestic market. It doesn't happen down the street, only to be supplied on that street. It happens in the Middle East, it happens in Latin America, it happens in Canada, and it happens in this country. It all comes together in a world market, and we compete at the local gas pump for the price of the world market.

Here is a perfect example of the reality in which we live as America's consumers. I do not deny—in fact, I sympathize with and I am frustrated for America's consumers who today are facing $4 and $4.45 and $4.50 gas. It is taking a huge bite out of their back pocket, and they are not ready for it. They have not been eased into it. They should not have had to even be worried about easing into it because it should not have happened. But the Congress of the United States for the last 20 years has been in a perfect and absolute state of denial.

Energy was inexpensive compared to the rest of the world, and we could put this known reserve off, we could put this off, we could worry about that tomorrow because we didn't have to worry about it today. We could be environmental purists because it was easy to do.

Here is what was happening in America. The supply through the 1970s and 1980s and 1990s was dramatically dropping, but the demand was continuing to go up at an unprecedented rate. In fact, after the oil shock of the 1970s, when we adjusted some CAFE standards and we did a few other things, our

economy took off. As our economy took off, by definition we became ever increasingly larger consumers of oil, of hydrocarbons. It is that which lubricates the economy of our Nation. If we are going to be 25 percent of the world economy, guess what, we consume 25 percent of the world's energy. But we were not producing 25 percent of the world's energy. We, by this time, had begun to develop a huge dependency on other places in the world, all while we were having this phenomenal luxury of saying you don't have to drill in ANWR or Alaska, it may have 15 or 20 billion barrels, but we don't know, we can't touch it. We don't have to drill off the coast, we don't have to worry about oil shale. We don't have to worry about anything. We can be green and talk about the environment and deny the reality of the marketplace and grow increasingly more dependent on somebody else.

Here is an interesting chart. It is a chart I found in a book I am reading now that I recommend all Senators read. It is called ''A Thousand Barrels A Second.'' Think of that. That is the title of the book, but it is a title of reality. The reality is that the world in which we consume energy and from which we buy energy today consumes 1,000 barrels of oil a second. Do the math: 86.5 million barrels of oil a day. That is what the world marketplace is, and we consume 20-plus percent of it.

Here is what was happening from the 1970s on when we were in an oil shock. We looked at ourselves, we adjusted ourselves a little bit, and we began to try to figure other ways.

Oil production from 1970 to the year 2005, as demonstrated by the dark blue—as you notice, it was going up progressively. But something else was happening that allowed for adjustments in the market. This green area was the extra capacity the market was not consuming. So when there were bumps in the market, there was extra capacity. It didn't happen to be in the United States. It predominantly was in the Middle East and with the OPEC nations, but it was extra capacity.

Here we are in 2005. What had happened? China had come into the economy. India had come into the economy. They were beginning to consume at rates we did not expect. While they were consuming and buying out of the world's markets, the world's capacity was continuing to drop as it relates to consumption.

This is not necessarily a lecture in economics, but it is a lecture in supply and demand. For any Senator to deny the reality of the marketplace is either naive or politically incorrect. The marketplace is working in a way that none of us likes today, and our constituents are feeling it in their back pockets, and they are picking up the phone and calling their Senator and saying: Do something about it.

We are trying to figure out a way to politically dance that line. There is very little we can do about it tomorrow. There is a lot we can do about it in 2 to 5 years if we let the world begin to produce again. But we have not made that choice yet.

The President is talking about it. Other people are talking about it at this moment. They are talking about going into the known reserves. But here is also a reality of what has happened. See this declining line right here? Any time you drill into an oilfield, any time you begin to lift crude oil out of that field, you begin to deplete the field. An average oilfield in the world depletes at 5 percent to 7 percent a year. That is the historic natural level that the industry will tell you—you get a depletion rate. If you are depleting at 5 percent to 7 percent a year and the world demand growth is going up at about 1.5 percent, you have a problem if you are not producing more oil to the marketplace. That is where we are today as a world consumer of oil. We are not producing the increased volume necessary to fit the growth of the marketplace. It is really quite simple. We as country are producing increasingly less.

We have 80 billion barrels of reserve out there, we think. At least we know we have 25 or 30 billion barrels of known reserve in ANWR and the Outer Continental Shelf. If we do the new geology, maybe we have 80, maybe we have 120. We don't know it, but we believe it is there. What is the value of drilling it; it is going to take 3 to 5 years? You bet it is going to take 3 to 5 years or more. The problem is today. Yes, we should have thought about it 3 to 5 years ago, but we were all running to look green, running to talk about the environment, wanting to do things we didn't want to do, but we did it because it was good politics. And we were denying the marketplace.

Here is the reality we got ourselves in. We don't control the marketplace anymore. Other nations of the world do control the marketplace. The Saudis control it, and on down the line. Eighty percent of the world's supply of oil out there is controlled by other nations, not companies—not ExxonMobil, not Chevron, not Marathon; they control way less than 10 percent of the total reserves. The rest of the world is now telling America where to go; that is, you go to the market and you buy off the market and we are not going to give you any margin. At the same time, we are denying ourselves production in the marketplace.

Here is what happened. It is a reality that all of us have to face. Oh, we said no California, Oregon, and Washington; we said no down the east coast because it was politically the right thing to do; we said no up around Florida; we said no up here in ANWR in Alaska; and we believe there may be as many as 80 billion barrels of oil. What does 80 billion barrels mean if you can develop it? It means maybe a couple of million barrels a day into the U.S. market and into the world market.

What does that mean? I believe—and I think the market believes—the true value of oil today based on today's consumption levels is maybe $85 or $90 a barrel. But that extra margin on top, that $40 of margin sitting on top that produces $130 or $140 of oil today, is speculation. It is speculation based on a futures market that says in the future, because America is not producing and the world is not producing to that decline chart, because we are not adding that extra 5 or 6 percent a year, out here in 2010 and 2015 that is going to be the real price. We have to secure that for our consumer. So we are going to bet on the future.

Mr. President, 2 billion barrels into the U.S. market, now or 5 years from now, what does it do to the price of oil today? Some futures speculators, some people who buy in the futures market say that if this country commits itself to drilling, if this country commits itself to development in the 2-year to 5-year period, the market will begin to adjust and come down. Why? Because of the belief that we are going to find it out there, we are going to add it to the pool, and we are going to develop that margin of protection, again, that the market historically had against an ever-growing market.

Is this the answer for 30 years from now? Of course, it is not. I have said and others are saying that it is a bridge to the future. It is the reality of where we are today because electric cars are not prevalent in the market. It is a reality of where we are today because hydrogen fuel cells are not in the market. But they are coming. It is a reality of where we are today because we are not producing enough ethanol, both corn-based and cellulosic. There is a huge new wave of technology coming, but it is 3 years out, it is 10 years out, it is 15 years out. What do we do in between? Do we simply turn to our consumers and say: Buck up; pay for the oil. Pay for the gas. Pay $5. There is nothing we can do about it.

Don't let your politician tell you that, because there is something we can do about it. We can bring on our known reserves. We can open them up to the market. We can let the bidding process go forward, and we can tell the world market that America is going to be producing again, in a timeframe of 3 to 5 years. As a result of that, the speculation will begin to move out of the market because there will be a sense of reality returning to what has been there through the 1970s and the 1980s and the 1990s, and that is additional supply to offset the depletion in the oilfield itself and the demand for about a 1-percent or 1.5-percent growth in the market as these new technologies begin to take hold.

Last year, Senator DORGAN and I passed a provision that we called the DOES Act which said, let's get the scientists out there, use the new geology and find out where the oil is.

Oh, no, we cannot do that. We might find it. And if we find it, we might want to drill it. And if we want to drill it, that is not green, that is not environmentally sound. Even if, as we

know, today's technologies allow us that kind of environmental protection, it was not politically popular to do.

We passed it out of the Senate. Thank you, Senators, for helping us. It was lost in a conference with the House. You see, even a year ago, Congress was in a state of denial, of denial of the reality of the marketplace, of a reality of depletion, of where we were and where we are going to go. So our consumers today are paying more than they have ever paid for energy. They are not happy, and they have every reason to be angry at a Congress that for 10 years at least, or 20, has been in a state of denial, not recognizing the reality of a market that would come home to rest on the price of oil. But it has. And it is today.

I am thinking if there are questions today whether we ought to drill in our known reserves and use all of our environmental tools to be sound, and some are still holding back at $4.50, what do you do at $5 a gallon? What do you do when the consumers' frustration turns from anger to fear? Because, you see, fear is a whole new emotion. What if they begin to fear they can no longer afford the home they have, or their food budgets, or the structure and security of their family? What happens when they still have to have energy to move to work, and it is going to cost them more than they have ever dreamed of paying in their lives? I think fear will turn politics in the direction of a marketplace, in the reality of what we can do, whether it is 2 years out or 5 years out.

So to the American consumer who is angry today, and may become fearful tomorrow, e-mail your Congressman, e-mail your Senator, call them. Tell them: Let's get this country back into production. Do it in an environmentally sound way, do it clean, do it right, but do it. Put your money into new technologies. Invest for the future, because oil is not going to be there, and the oil that will be there 10 years from now is going to be a lot more costly, because we have pumped all of the easy, we have reached all of the low-hanging fruit, and that which comes tomorrow will be more expensive because it is deeper, or it is in a sensitive area where we have to be more careful than we have been in the past.

Because we are always going to need some oil, we hope only for transportation, we can do it with electric cars, we can do it with plug-ins, we can do it with all the right kinds of things that begin to turn us away from an oil market.

For those who said Congress has not done anything in that area, we have done some things. We passed the Energy Policy Act of 2005 and the Energy Policy Act of 2007. There was not production of oil in it. Many of us tried to get it in, but we were denied because it was not ''politically green correct.'' But then again, gas was $2, and now it is $4, or it is $4.50; it may soon be $5, because the world has awakened to the reality of supply and demand and need. They are going to wrestle for it, and they will wrestle in the marketplace. Those who can pay the highest price are going to get the fuel.

But to the average consumers, middle-class Americans, that will become a great frustration, as it should. They need to make sure they have a Congress that is willing to face the reality of the moment, and say, let us produce. Let us get this country back into production. Let us look at our offshores. Let us look at ANWR. Let us look at where we know the oil is, while we work to find out if there is anymore somewhere else. Let's encourage production here at home, so that not only can we enter the market with more oil, but we can be more secure, because this is a question of security, whether it is security in the home, or whether it is security as a nation.

Politically, this Congress for the last two decades has been doing the wrong thing when it came to petroleum and energy security. We grew increasingly dependent on foreign nations, and as we did, we not only put our Nation at risk, we have now put the energy-consuming American family at risk. We should not be a part of that. We are here to facilitate the possible so the marketplace can do what it can and does very well. Right now the marketplace is squeezing and squeezing hard and competing for the last remaining oil until more oil comes in production.

Here is the last thought of a simple equation. If demand is going up 1.5 percent a year worldwide, and depletion in the existing producing fields is going down at 7 to 8 percent a year, and you are not finding and bringing anymore on line, then the price goes up as the supply goes down. But if you find a little more to add, about 5 percent more annualized, you offset the difference and price stabilizes. That is the way the market works. We do not have control of that as politicians; we can only control access to future supply. That is what we ought to be about as a Senate and as a country.

So e-mail your Senator, write your Congressman, tell them to get going. Let's get this great country of ours back into the business of production so the supply and demand in the marketplace stabilizes and the American consumer can begin to become comfortable with where we are headed in energy policy and their pocketbook.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. BROWN. Mr. President, I ask unanimous consent to address the Senate as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. BROWN. Mr. President, the apologists for the oil industry tell us a lot of things in the Chamber. I hear people in the White House, I hear elected officials, I hear people who have been particularly friendly to the oil industry, campaign contributions, commentators in the media, who tell us a lot of things about why the price of gas has gone up, triple, basically, since President Bush has taken office; triple since the Iraq war began.

The apologists for the oil industry have ascribed no blame to Wall Street speculators. They say the oil industry itself is blameless. They say it is all about the environment, it is all about something most people do not understand.

What they say specifically when they ask a few questions, is: Wouldn't increasing offshore drilling lower gas prices? Wouldn't drilling in the Arctic Refuge lower gas prices? They say: Why can't we build more refineries in the United States? Let's for a moment talk about some of those questions they raise.

First, President Bush's own Energy Department has said that increased drilling offshore would have, in its words, ''no significant impact on gas prices until the year 2030.'' So if we began to drill offshore all the places that some of my friends across the aisle say we should drill, it would make no appreciable difference in the price of gas until 2030, if even then.

Since President Bush has been in office, the Federal Government has nearly tripled the number of permits given to big oil companies to drill for more oil. They have tripled the number of permits. Yet what has happened to gas prices? It has gone from $1.50 to over $4, from $30 a barrel at the beginning of the Iraq war to $130, $140 a barrel now. Big oil companies are not drilling for oil in 75 percent of the land the Federal Government has leased to them, both onshore and offshore.

Then they say: Wouldn't drilling in the Arctic National Wildlife Refuge lower gas prices? The President's own Energy Department, again a President of the United States who came out of the oil industry, a Vice President of the United States whose office is across the aisle here, who came out of the oil industry, the President's own Energy Department, full of oil company executives and allies and friends, said a couple of years ago: Drilling in the Arctic National Wildlife Refuge would only reduce gasoline prices by a penny per gallon, and only 20 years from now when drilling is at its peak.

Again, it is one of those arguments they make because they do not want to blame the oil industry, they do not want to blame the speculators on Wall Street who have way more to do with this price jump than anything else.

They say: Why can't we build more refineries in the United States? Well, big oil companies are reducing refinery capacity not because of the Federal Government, they are doing it to increase their profits. An internal memo from Chevron in 1995 said: If the United States petroleum industry does not reduce its refining capacity, does not cut down its refining capacity, it will never see any substantial increase in profits.

In other words, it is in the oil companies' interests to not increase refining capacity. They have the permits to do it. There are no environmental rules stopping them from doing it. They have the permits to do it. It is in their interest to keep refining capacity to refine less so with supply and demand the price goes up. Don't think they haven't thought through that.

The largest five oil refineries in the United States now control over half of domestic oil refinery capacity up from one-third only 10 years ago. This consolidation makes it easier for them to lessen supply, to withhold supplies in order to drive up prices.

If you have looked at oil prices in the last 10 or 20 years, a spike in oil prices always comes as a result of some other incident. It comes from perhaps a fire at a refinery, an outage of a pipeline, Hurricane Katrina, some international incident that causes a disruption in oil supply. That is normally over the years when we have seen a spike in oil prices, of gasoline prices at the pump when something such as that has happened.

None of that has happened in the last couple of years. But it is not one spike, it is not two, it is spike after spike after spike, prices going again from about $30 a barrel when the President took office, the oil company President, to $130, $140 today; $1.30, $1.40 at the gas pump, now up to over $5, as we know.

Pointing fingers in the end gets us nowhere, and saying someone is right, somebody is wrong. The issue is what are we going to do about this. One of the things we should do is to impose a windfall profits tax on oil companies to stop them from gouging consumers at the pump. The Bush Justice Department ought to begin looking at price-fixing issues much more aggressively than they ever have.

The Commodity Futures Trading Commission needs to be more involved in rooting out the speculators who may very well be doing Enron-type speculating to push up the price of oil.

The last time a windfall profits tax was in effect in 1981 to 1988, gas prices were reduced by 45 cents a gallon, oil prices declined by $20 a barrel, and it generated $89 billion in revenue.

Most importantly, longer term we need to transform our energy system away from fossil fuels and toward renewable energy. That is clearly the wave of the future. We need to get started sooner rather than later. We on this side of the aisle have tried to take money from the Bush energy bill, some of the subsidies and tax breaks, and use that money to go into alternative energy research and development and do all of the things we need to do.

In closing, over the past 7 years, Enron, BP, and Amaranth were caught redhanded manipulating the price of electricity, propane, and natural gas. Each time they said supply and demand was to blame. Each team the pundits were proven wrong. Excessive speculation, manipulation, and greed were the cause.

The head of OPEC said: The price has nothing to do with a shortage of oil. There is a lot of oil on the market. It is because of speculation. Bart Chilton, one of the Commissioners at the Commodity Futures Trading Commission, said speculation is driving up oil prices as much as 30 percent. We have work to do. It is clear that rather than defending the oil industry and defending Wall Street speculation, it is time this Congress took action, that the President finally decided to be on the side of the driving public and of businesses that are hurt, truckers and others who are hurt so badly by this, as food prices go up, and all of the other things that happen from high energy prices. It is time the President and the Justice Department and the Commodity Futures Trading Commission came down on the side of the public interest and began to do the right thing.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent that at the conclusion of my remarks and potential remarks from the Democratic side that the Senator from Alabama, Mr. SESSIONS, be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST—MEDICARE 18-MONTH EXTENSION

Mr. KYL. Over the last week on our side, we have listened to some of our colleagues suggest that Republicans have obstructed action on important matters here. I want to ensure that with respect to protecting our seniors through the service of the Medicare physicians who take care of them, that we are able to meet a deadline on the statute which expires at the end of this month to ensure they continue to be paid.

One of my colleagues yesterday said Senate Republicans had refused to give Senate Democrats the opportunity to ensure quality health care for American seniors. Yet following those remarks, the minority leader propounded two unanimous consent agreements which would have permitted us to move forward to consider two bills that would preserve Medicare beneficiaries' access to care.

Mr. DURBIN. Will the Senator yield for a question?

Mr. KYL. I am just about done propounding my request, but I am happy to yield.

Mr. DURBIN. I ask the Senator from Arizona how he voted on the motion for cloture to bring to the floor the Medicare changes which he is now supporting.

Mr. KYL. Mr. President, I am happy to respond to my colleague that our proposal is to move forward with a bipartisan approach rather than the partisan approach which, of course, I opposed. In that regard, I, therefore, suggest that we simply extend existing law, which this Senate overwhelmingly supported just 6 months ago, for another 18 months, a proposal that had been made by the chairman of the Senate Finance Committee that would allow us to solve this problem not in a partisan way but in a bipartisan way.

Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of a Senate bill which I will send to the desk. It is a clean 18-month extension of the December Medicare bill. I ask unanimous consent that the bill be read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KYL. Mr. President, might I conclude with a brief remark?

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I wish to express disappointment. Again, we are trying to simply allow the Senate to move forward, in a bipartisan way, to resolve a problem we all need to resolve. This would extend the existing law for another 18 months, something that had been, in fact, proposed by the chairman of the Senate Finance Committee. I am disappointed we are not able to do this.

Mr. DURBIN. I ask unanimous consent to speak for 2 minutes on this issue and then yield the floor to the Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, we are trying to bring this Medicare issue to the floor for debate. Nine Republicans joined Democrats and said: Let's do it. But it wasn't enough. We are asking to bring it forward for debate. If you have a better idea, put it on the floor and let's vote on it. But for the Republicans to consistently file these filibusters and object to bringing these measures forward to even debate them, and now it is a take it or leave it. The Senator from Arizona has filed, just like the minority leader did yesterday, this political get-well card which says: We will make a unanimous consent request so we are on the record wanting this. Get on the record and vote for bringing it to the floor for debate. Don't be afraid of a debate. Don't be afraid of an amendment. If you have a good idea, put it forward. Let's see if it wins or loses.

Seventy-seven, one after another, and this one is to stop a cut in reimbursement for doctors providing help through Medicare. These doctors need that help. That is why we wanted to bring it to the floor. I beg the Republican side, for goodness sakes, let's act like a Senate. Let's debate. Let's deliberate. Let's vote on amendments. Let's earn our pay one week.

The PRESIDING OFFICER. The Senator from Alabama.

BOEING PROTEST

Mr. SESSIONS. I wish to discuss the Government Accountability Office decision to sustain the Boeing protest of

the KC–X tanker award, which I have followed closely. The Northrop Grumman/EADS proposal would have resulted in a fabulous new construction facility in my home State and would have created thousands of jobs within the United States. I confess that I am disappointed by the decision. I do think it is important that we continue to follow this process and to recognize the appropriate roles of the different Government actors involved.

It is, of course, not the GAO's job to pick aircraft for the Air Force. GAO used to be called the Government Accounting Office. Now it is the Government Accountability Office. It is fundamentally the accounting arm of our Government. As they said themselves when they made this decision in which they found flaws in the process for making this selection:

> Our decision should not be read to reflect a view as to the merits of the firms' respective aircraft. Judgments about which offeror will most successfully meet governmental needs is largely reserved for the procuring agencies, subject only to such statutory and regulatory requirements as full and open competition and fairness to potential offerors.

In other words, it is the job of the war fighters, the people who will use this aircraft, the U.S. Air Force and those who benefit from the U.S. Air Force refueling capability, it is for them to make a decision about which aircraft best meets their needs. The GAO has to make sure that all appropriate processes and procedures are followed in doing this. Both the Air Force and DOD have been unequivocal in their statements that they believe the Northrop/EADS aircraft is a superior aircraft for their needs. As Air Force Assistant Secretary Sue Payton said upon announcement of the decision:

> Northrop Grumman clearly provided the best value to the government when you take a look at, in accordance with the RFP, the five factors that were important to this decision: in mission capability, in proposal risk, in the area of past performance, in cost price, and in something we call an integrated fleet aerial refueling rating.

They had a complex but serious evaluation procedure that they utilized. Last Tuesday, Pentagon spokesman Geoffrey Morrell said the selection of the Northrop KC–45 ''provided our war fighters with the most capable aircraft and the taxpayer [with] the most cost-effective solution to this very real need of replacing the tanker fleet.''

The GAO found procedural flaws, according to their analysis, but they have not overturned this fundamental conclusion, the evaluation made by the Air Force personnel. The people who actually have to fly tankers and those who utilize them to refuel at high altitudes and high speeds over the Atlantic, over the Middle East, or wherever in the world, still favored and chose the KC–45.

Still, it is important for the Air Force to consider the GAO's objections and to take them into account. They have 60 days to do so. However, the GAO also acknowledged it is the Air Force's decision about what final action they are to take. They have not, as some suggested, been ordered to start over again.

My colleague, Senator CANTWELL, whom I recognize represents the State of Washington where this work would be done if Boeing were the winner, had this to say:

> The Air Force will have no choice but to rebid this project.

That is not true. That is not an accurate statement, frankly. We need to be sure about how we think about this as we go forward. Even more inaccurately, some of our colleagues have suggested that the GAO's decision means the award should be given to Boeing. Senator BROWNBACK's press release, my good friend from Kansas, who would love to get some of the work in his home State, said that as a result of yesterday's announcement:

> This contract should be overturned and awarded to Boeing.

That is not right. They didn't order that at all. There is no basis for that whatsoever.

Congressman NORM DICKS, of Washington, who until recently was telling people he didn't care what the GAO had to say, issued a press release yesterday touting the GAO decision and declaring as a result of it:

> I believe the Air Force should set aside the agreement it improperly reached with EADS/Northrop Grumman and we should proceed expeditiously to build the best aircraft—the Boeing KC–767—here at home.

''At home'' meaning in his home State of Washington, not in my home State of Alabama.

That is a misreading completely of the GAO's decision and demonstrates a misunderstanding of GAO's role. They analyzed the process. They found some errors, they said. They said nothing about giving any award to the other competitor, Boeing. The military still adheres to its belief, as they noted, as to the superior aircraft.

Some of my colleagues also seem to misunderstand Congress's role in this, or at least to interpret their responsibility to the American military differently than I do. Senator MURRAY announced yesterday:

> It is Congress's job to determine whether major defense purchases meet the needs of our war fighters and deserve taxpayer funding.

I tell you, I am a lawyer. I know our Presiding Officer is. Schoolteachers, accountants, veterinarians are not equipped or able, nor do we have the responsibility and the intense interest, to make these kind of decisions that the U.S. Air Force does. They have a long history of aircraft purchasing and managing. They know something about what it is like to refuel in the air, why an aircraft that can fly further and carry far more fuel may be a superior aircraft to one that does not. This is not a political decision to be made by people who spend a few hours looking at it and think they now are capable to reverse the decision made by the one agency in our Government that will have to live with the result. I believe it is the brave men and women of the Air Force who fly these planes and depend on them who should be making the decisions about their needs and what they think is best. We need to protect that. If they change their mind after this, so be it. But I hope and believe strongly this Congress should encourage the Air Force to consider the objections raised by GAO, to fairly evaluate them, and then to select, without political influence, the best aircraft for the men and women in uniform. That is the way we will serve our country. To politicize this process would be dead wrong, and I object to it. There has been too much of it.

Great progress was made when some of my colleagues including Senator MCCAIN objected when the Appropriations Committee slipped language into an appropriations bill that leased 100 aircraft, $23 billion, sole source from Boeing. There had been no hearings. It was a sole-source contract for about $235 million per aircraft to just lease 100 of these aircraft. As a result of these questions that were raised, eventually, one of the top procurement officials, a civilian in the Air Force, went to jail. Members of the leadership of Boeing resigned and investigations were conducted. It was quite a scandal. It was wrong, and it was corrupt. When that was discovered, people went to jail. So what did Congress do then? Congress, in my committee, the Armed Services Committee, had hearings about it. We discussed it. It was raised in the Airland Subcommittee, a subcommittee of which I was a member and that I at one point chaired. We directed and required that the Air Force conduct a competitive bid process for this contract. No more sole-source. You pick the best aircraft in the world to serve our men and women. That is what we directed—no ifs, ands, or buts, no qualifications. Not one amendment was offered to object. Everybody knew at the time there were two major aircraft-producing companies—only two—that could compete: Boeing and the Northrop Grumman-EADS team. So we ordered a bid.

We have all kinds of joint operations—the Joint Strike Fighter, where parts come from European and American sources. We and our European allies have come together to make the Joint Strike Fighter.

So we said we are going to bid this. The question came up during the debate: Well, is this just a joke? Is this just a game? Is it going to be a real, fair bid? Will everybody get a fair chance?

I remember I asked them: Is this going to be a political decision? Aren't you required to do it on the merits? They assured me they would do it on the merits.

As part of the bidding process, the Air Force produced and released a request for proposal. It is a detailed

statement of what the Air Force is looking for. They request the bidders—in this case, there were just two—to respond to that request for proposal. They also allowed the bidders an opportunity to make suggestions and criticisms about the proposal. Otherwise, it would go out as proposed by the Air Force.

The Boeing team made no official or formal objections, no written complaints about the details of that proposal. They did not request certain WTO provisions that might tilt the scales away from what is the best aircraft or not the best aircraft. They agreed to proceed under that process.

The Air Force believed they had the most open process in their history of any major contract of this kind. They were required to follow their procedures, and it is easy to make a mistake. So maybe they made some mistakes. Maybe they have a perfectly good explanation for some of the criticism GAO has raised. But that is where we are today. They found some procedural flaws. But I have to tell you, the GAO did not say it was time for a bunch of politicians, a bunch of lawyers, accountants, prosecutors, schoolteachers, to start picking which is the best plane available to the Air Force. We should not be substituting our judgments for those of the military.

So I am sorry we did not get a firm confirmation on this process. I fully acknowledge the Air Force will need to review the complaints that have been made. I hope they will move forward with the process quickly because it is a critical need. This Nation is really 8 or 9 years behind our timeline to get started with producing the aircraft. It is the No. 1 procurement priority for the U.S. Air Force. Many of the planes are 50 years old. I saw one being refurbished with a serial number of 1960 not long ago. The cost of operating these aircraft is rising.

I hope we can work through this process and make sure each bidder has a fair opportunity to bid. It is critically important that the Air Force treat all bidders fairly, that politics not interfere with the process, and that they select the best aircraft for the military.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I want to get back to the issue before us, the housing crisis. I thank Senators DODD and SHELBY for working so hard to reach compromise.

Here is where we are. I believe if you look at this recession many of our States are in—and there is an argument as to whether we are in this recession nationally—we know where it is coming from. The housing crisis is certainly a root cause. The speculation in the futures market, in oil, is definitely a root cause. We need to address both of those issues. That is why on this side of the aisle we had a very good package of bills to go after the speculators, to go after the manipulators of gas prices.

We will keep coming back until our colleagues recognize they can talk about drilling off the coast in pristine areas all they want—the truth is, the American people will see through that. Even if we were to do it—and I think it would be a disaster for our economy because those areas are dependent on a pristine coast—you are not going to see any impact on gas prices until 2030.

So what we need to do on the gas-price front is to confront the people who are speculating. We have heard numbers of up to about a third of the price of a barrel of oil being associated with the speculation. I also signed on to a letter. I thank Senator FRANK LAUTENBERG for his leadership. Eleven of us signed it, saying to the President that he should file a complaint with the World Trade Organization against OPEC for withholding supply. So there is a lot we can do. The President today could call for a quick investigation through the FTC, the Federal Trade Commission, on collusion and so on. But that is not happening. So at least we are, today, doing something very important, which is coming together, hopefully, to pass a bill that will deal with this housing crisis.

Look, I know I have talked to Senators DODD and SHELBY. In my State, we have a big problem. I am going to show you a little later with a chart where we are with foreclosures. So, of course, I would have liked to have seen even a stronger bill. But I know how hard it was for Senators DODD and SHELBY. Each had his own ideas of what had to be done. They came together, and I support what they have done.

I stood before the Senate about 2 months ago when we took up an earlier version of the bill, and I spoke about how California had more than triple the number of foreclosure filings in 2007 than in 2006. I am very sad to report that the situation is even worse today. I want to share with you what we see.

Foreclosure filings in California have skyrocketed over the last 41 months, rising from under 6,000 in January 2005 to 72,000 foreclosure filings in May—the highest monthly number yet and nearly double the number of a year ago. Last month alone, 1 in every 183 California households received a foreclosure filing—a rate that was 2.6 times the national average. Imagine, 1 in every 183 California households received a foreclosure filing—2.6 times the national average. As you can see—and this will go to the next chart; and I say to Senator DODD, I hope you have a minute to check this out—7 of the top 10 and 11 of the top 20 metropolitan areas with the highest foreclosure activity in the country are in California. This is where we are in California. Mr. President, 11 of the top 20 metropolitan areas with the most foreclosure filings in May are in my State. You see Stockton is No. 1, Merced is No. 3, and Modesto is No. 4—and it goes on.

This bill takes some important steps to address the crisis. It provides funds to purchase and maintain foreclosed homes, to prevent the cycle of blight from further lowering home values. It provides $4 billion for neighborhood stabilization through community development block grants for localities.

As a former county supervisor—that goes back a ways, but I well remember that the health of the neighborhoods depended on the homeowners. When the homeowners disappear because they cannot sell their home or they foreclosed on a home, the whole neighborhood begins to wither. This is a problem. So I believe this $4 billion that will go to revitalize our neighborhoods and stabilize them is very important.

It provides $150 million in additional funding for housing counselors. I held many open meetings throughout my State on this crisis, and the crying need was for housing counselors because somebody has to find out with whom they have their mortgage. Maybe it has changed four times. Maybe the mortgage was securitized. They do not have anyone to contact. We need these counselors to be on their side.

That funding in this bill will help as many as 250,000 more families work with their mortgage servicer or lender to find a way to keep their home. I know when you get people around the table who really know what is happening, we can solve a lot of these problems.

Third, the bill creates the HOPE for Homeowners Act, which authorizes $300 billion in FHA-backed loans to help families stay in their homes—at no cost to American taxpayers because of the way this will work.

These are all vital steps.

My big concern goes to the issue of the Nation's high-cost areas, of which California is one. We see there is a permanent increase in the loan limits for Fannie, Freddie, and FHA, but they are not as high as what was in the stimulus package. Although it is $625,000—it is a step in the right direction—we really should go back to the $729,000 we had under the economic stimulus package.

The loan limit for participation in the HOPE for Homeowners Program is set at $550,000. Given the concentration of foreclosures in high-cost areas, a higher loan limit for this program is essential.

I know this was an issue for Senator SHELBY, but I want to point out that in his State, I think the average price of a home is about $130,000—the average median home price—$130,000. That is way under other areas, particularly areas such as Florida, California, and Nevada.

Mr. President, I ask unanimous consent to have printed in the RECORD the States that would benefit from the higher loan limit.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATES BENEFITING FROM HIGHER LOAN LIMITS

Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho.

Massachussetts, Maryland, North Carolina, New Hampshire, New Jersey, New Mexico, New York, Nevada, Ohio, Oregon.

Pennsylvania, Rhode Island, Tennessee, Utah, Virginia, Washington, West Virginia, Wyoming.

Mrs. BOXER. Mr. President, there are 28 States here. Believe me when I say, if we stick with the lower limits, a lot of people are not going to get the benefit. We are talking really about 97 million Americans who would be adversely impacted by the fact that we did not have a higher limit here. In California, 21 million people—more than half the State's population—live in 1 of 14 counties that have a median price so high, they do qualify for the higher $729,000 loan limits.

So I say to my friend, Senator SHELBY, please remember that borrowers in his State will have access to affordable mortgages, for loans well over 300 percent above the median home price. So Senator SHELBY's State is taken care of. But the States on this list, including California, Connecticut, Florida, Georgia, Hawaii, and Massachusetts—I could read this list—they are going to be in trouble with these lower limits.

Again, my State has 11 of the top 20 metropolitan areas in the country with the most foreclosure filings. Going back to this chart, I want to show Senator DODD what has happened here. We just keep going up in foreclosures. Now 1 in every 183 households has received a foreclosure notice in California. This is very serious. That is just in May.

This is why I am so pleased, I say to Senator DODD, you and Senator SHELBY were able to get as far as you did get. And you did get pretty far. You are doing some very important work here.

The dream of home ownership exists in every corner of America. I will tell my colleagues, I grew up in a family who never owned a home. We didn't own a home when I was growing up. We couldn't do it. But when I got married and I was able to save the money and get my first home, it was a moment I will never forget, the first day in that home, and I owned it for 40 years. I literally kissed the walls when I moved in. I raised my kids there. That home provided the stability for our family, and it provided the wherewithal for us to be able to get funds, refinance the house, fix it up. It grew along with our family. It was a wonderful investment for us. I want that for all Americans.

I don't want to help people who speculated. This bill doesn't do that. This has to be a home owner. I don't want to help people who thought they would make a quick buck. That is not what this bill is about. This bill is about preserving home ownership, helping communities.

I have to say, I know there is a lot of politics that is being played. This is a political year. But we have to set aside our partisan differences. There are Republicans who are having trouble staying in their homes, and there are Democrats who are having trouble staying in their homes. So we need to set aside our differences.

In this bill we also help with the low-income housing tax credit. So the changes in this bill are long overdue, and they are critically needed now. So no bill is perfect for any one of us. Each of us would have written it better for our own State. I indicated why it needs to be made stronger for my State. But am I going to support it? Yes, I am, because certainly it is moving in the right direction.

I thank Senator DODD again for the work he has put into this bill. We need it so badly in our State. I know how hard it was for him. I am happy to yield to him for a question.

Mr. DODD. I wish to thank our colleague from California. She is absolutely correct. Arizona, Nevada, Florida—there are States that are being affected, but no State is paying the price as much as California. It is the epicenter of this problem for many reasons.

Earlier this morning, I highlighted the growing problem, as the Senator from California has done with her charts. We are now averaging on a daily basis, I say to my colleague from California, 8,427 foreclosure filings in the country every single day. That is up almost—somewhere in the area of 1,000 more than it was 2 months ago when it was up to 7,500 or in that range. Now we are getting close to 9,000 every day for foreclosure filings.

The estimates are that when you get the resets that will be occurring on these adjustable rate mortgages coming in July or shortly after July, we will face another tidal wave of foreclosures coming. So the Senator's numbers, as bad as they are today, will be worse, quite candidly. So every day we wait, every day there is a delay, it is going to cost us dearly.

I can't guarantee our bill is going to solve every problem. All I can tell my colleagues is what we have done is listen to very good people. We have held 50 different hearings over the last number of months listening to people from the American Heritage Foundation, the Consumer Federation of America, and they all have come to this conclusion. So when people start telling me this is written for some special interest, believe me, if you have been to the 50 hearings and listened to people talk about this idea—one that we actually tried once before; a very similar idea back in the early part of the 20th century during the Great Depression is the last time we had a crisis such as this and it worked, and it made a difference in the lives of people and families.

I listened to the Senator's personal story, which is very moving. But what a difference there is today in our country that we have been able to make housing and home ownership available to so many more people and to watch it happen, and now watch this fall apart and what it does to neighborhoods and families and communities. There is nothing more stabilizing than the idea of having an equity interest in where you live.

So this is an issue that has far broader implications than just housing, but it is at the heart of who we are and the dreams that people have in this country. So it is very important we get this done. I thank the Senator immensely for her comments, as well as the data which she is supplying to reinforce this bill.

Mrs. BOXER. Mr. President, this list of 20 States—and I see my friend from Florida is going to speak—of course, is included in here. These are the States. It is 28 States—27 plus DC, to be exact—where we have very high-cost housing. We are very grateful that Senator SHELBY agreed to go over $600,000. Believe me, we need a little more boost. But we have to do this. We have to get it done.

I guess the reason I wanted to speak today is to not only thank Senator DODD and Senator SHELBY for bridging the partisan divide, but to say we cannot play politics with this subject matter. This isn't about some ideological issue; this is about people being thrown out of their castles—their home—and thrown into the moat, and it is about communities that then begin to wither. It is about local governments that begin to struggle. It is about crime rates that begin to go up. It is about dreams that are dashed and consumer confidence that goes down the tubes at a time when we are fighting off a broad recession and unemployment.

So I just hope—I don't know where this will lead. We haven't had much success in the past couple of weeks getting anything done around here. But I am hopeful that because all of us are hit by this that we will set aside the politics in this political year, we will leave it at the door, and for a few shining moments come together and get this thing going because I have read this bill. Would I have written it better? Yes. Would Senator DODD have changed it? Yes. Would Senator MARTINEZ? Absolutely. All of us would have done it our way. Senator SALAZAR would have done it his way.

We, Senator DODD and Senator SHELBY, have done some important things in this bill, and some things that are very straightforward. What impresses me the most is that they did build on the success of a program that America used years ago and wound up not costing any money. We actually make some money for the taxpayers. So this is a tried-and-true idea, and we need to try it again, just getting those counselors out there to sit down with the parties and find a person to talk to.

I was just saying while Senator DODD was in the cloakroom that I had five hearings myself around the State, and my staff did, and one of the biggest problems was that some people couldn't find out who to talk to. So when you have a counselor who has

that expertise, one out of two times, they told us, they solved the problem. So thank you again. I will be supporting this bill.

I would just say to my colleagues who aren't here, but to any within the sound of my voice, any amendments that will further this and make this a better bill, great. But if they are nasty, ''let's try to score political points'' amendments, I hope we will all have the courage to say no to those.

I yield the floor.

Mr. DODD. Mr. President, I ask unanimous consent that at the conclusion of the remarks by our colleague from Florida, Senator MARTINEZ, Senator SCHUMER be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. MARTINEZ. Mr. President, I wish to thank the Senator from California for her comments and concern. I wish to add my thanks on behalf of my constituents in the State of Florida to Chairman DODD and to Senator SHELBY for being the architects of this very fine bill that attempts to put a floor on what is a downward spiral that we are seeing of home prices and ever-increasing foreclosures.

The National Association of Homebuilders tells us that every week another 47,000 homeowners are going into foreclosure. That is a tragic figure, as the Senator from California was saying. I can recall during the past decade when each and every day we could see increasing numbers of Americans who were becoming homeowners, increasing percentages, particularly among minority families—African American and Hispanic families—who were tasting and grasping that dream of home ownership, and now we are seeing that dream erode and dissipate. If we can do something, if we can respond, then we must.

This bill attempts to do that in a very measured way—in an imperfect way, but in a way that I think moves us forward and allows the American homeowner to begin to feel a sense that they are getting a floor under them, and it allows the housing economy, which is so important to a State such as Florida—we begin to feel as if we are getting a little footing going.

There are some tragic stories of how we got here. There are a number of things that have happened in the lending world that highlight the problem. In one situation, a gentleman from Ruskin, FL, was approved for a $280,000 home despite the fact that he was making $12.50 an hour with a lumber company in Bradenton. Without his knowledge, the mortgage originator listed his annual income at $60,000 a year in order for him to qualify for the loan. Five months later, after moving into his new home, he defaulted on his subprime mortgage, depleted his savings, and now has a black mark on his credit and no home. His story is just one of many.

These stories are all over the country. There may be some parts of America that are untouched by this crisis, but I will tell my colleagues that Florida has been hit, and Florida has been hit hard. That is why I am so grateful this bill is finally on the Senate floor and that we are moving forward to act on it.

I agree with the Senator from California. We need to put partisanship aside and ideology aside. This is about getting something good done for the American people. If someone thinks they can make the bill better, that is why we have an open amendment process with amendments that are germane to housing, and that is how we should keep it. Let's hear your ideas.

Knowingly filling in false information is a crime, and it brings to light some of the flaws that we have had in our financial system, in our mortgage system. So this bill represents a good-faith, bipartisan effort to address this ongoing crisis.

There is help for America's struggling homeowners, there is reform of major Federal programs, and there are new ideas to help ensure that we don't find ourselves in a similar situation somewhere in the future. So I wish to thank Senator DODD, Senator SHELBY, as well as Senator BAUCUS and Senator GRASSLEY for working together on a package that I hope will have strong bipartisan support from the Members of the Senate.

One of the most important provisions to me in this package is regulatory reform of the government-sponsored enterprises. These are little-known entities—I came to know them in depth while I was at HUD—Fannie Mae and Freddie Mac and the Federal Home Loan Banks. They play an immense and critical role in our Nation's housing finance industry. They have to be strengthened. They have to be safeguarded. They are a treasure.

One of the questions that I always would be asked when visiting with foreign dignitaries as HUD Secretary was, How do you set up the government-sponsored enterprises? How can we replicate them in our country? So they are a national treasure, but all is not well.

It is important to note that when they have reached the point where they are financing more than 80 percent of all mortgages in the United States, which is up from 40 percent a year ago, and when we see that from time to time there has been some trouble in these entities, it is time for us to have a stronger and more forceful regulator.

GSEs have been a key to the stability and the liquidity of the mortgage market, but they are stretched. Both Fannie and Freddie continue to have financial and operational issues that heighten the need for strengthened oversight. As GSEs take on more risk, as Congress has allowed them to do, we have an obligation—and by the way, I believe it was appropriate to do that, but now we have an obligation since we did that to ensure they continue to fulfill their public mission in a safe and sound manner. GSEs have an obligation of more than $6 trillion in debt and securities. If their risks are not managed properly, or if market movements turn dramatically against them, the Federal Government could face a very serious situation. So we owe it to the American taxpayer—our constituents—who would be on the line in the event of a failure, to enact meaningful, comprehensive reform legislation.

A strengthened regulator is in everyone's best interests: The administration, the Congress, Wall Street, investors worldwide, and, most importantly, the American home buyer. I believe by strengthening this regulator that we will create a greater level of confidence in investors at a time when more capital and more liquidity is needed in these troubled financial times.

The importance of Fannie Mae and Freddie Mac in the housing financial system is simply undeniable. Real reform is necessary to ensure that the public understands these two companies can continue to make low-cost mortgage financing available to low- and moderate-income families. But we also have to do more than help temper the current situation. We have to ensure we don't find ourselves back here facing the same issues again in the future that we are facing today.

That is why Senator DODD and Senator FEINSTEIN and I have worked hard on an amendment which was accepted in committee—the Safe Mortgage Licensing Act—that addresses the loose patchwork of State regulation of residential mortgage loan originators. Our amendment is included in the provisions of title V, which is included in this package. It would help eliminate bad actors from the mortgage business.

I should say most mortgage brokers are decent, honorable people trying to do a good job each and every day, but there have been some bad players and bad actors in this arena. The act would create a national registry database and require brokers and lenders to meet minimum national standards which ensure that they are professional, competent, and trustworthy. Strong licensing standards for mortgage brokers and lenders are an important part of protecting consumers and restoring confidence in the marketplace.

There is another important component of this package, and that is the reform of the Federal Housing Administration, or the FHA. Congress created FHA in 1934 to help spur the housing market and increase home ownership. It was in another time when we were in a troubled financial situation.

It was after the Great Depression. It was one of the vehicles that moved America, particularly after the Second World War, into an ownership society. Instead of governmental loans or subsidies, borrowers purchased FHA mortgage insurance. Since the insurance mitigates a lender's risk, a lender can offer competitive mortgage terms to

borrowers who may have thin or imperfect credit, or little cash on hand.

Over the past 72 years, FHA has been a mortgage industry leader, helping over 34 million Americans become homeowners at no cost to the taxpayers.

I should add, in my own family, as an immigrant family, when my parents had only been here a little over 2 years, we grasped the American dream and owned our first home in America. It was insured and financed with an FHA-insured loan. I had no idea what it was at that time. All I knew was that it was an FHA loan that allowed us, with a very small downpayment, to get a 30-year fixed mortgage so we could begin to live the American dream. That is the historic role FHA has played throughout our Nation's history since 1934. It can play that role again today.

Prior to the FHA program, home buyers were required to have downpayments of as much as 50 percent of the purchase price. That is still true in many parts of the world today. In those places where ownership is still a distant dream, that is what it takes.

Financing consisted of 5-year interest-only mortgages. FHA made the low downpayment, 30-year fixed rate, self-amortizing loan the standard product in the United States. Unfortunately, in recent years, while the mortgage industry adapted to changes in the marketplace, FHA stayed the same, leaving a large number of home buyers with no option but higher cost, higher risk mortgages.

I remember when I was at HUD, each and every statistic we would get would show an ever-dwindling market share for FHA of all the mortgages being originated. For many minority and low-income first-time home buyers, the private market provided access to mortgage financing, but too often at excessive costs. We know today that the dream of home ownership has turned into a nightmare for too many Americans.

I have no doubt that many of the individuals in financial trouble today could have received lower cost loans with the help of the FHA, especially if the program had the flexibility to change with the marketplace.

The FHA reform provision included in this package will make much needed programmatic improvements, allow FHA to insure larger loans, and give FHA more pricing flexibility. These reforms will empower FHA to reach more families needing help—first-time home buyers, minorities, and those with low and moderate income.

With this legislation, we have built an even better program that complements conventional mortgage products and allows FHA to continue to serve hard-working, creditworthy Americans. This housing bill will go a long way in helping those suffering in the short term, and ensure our housing economy regains its strength in the long term.

Some of the detractors have said this FHA program will be some sort of a bailout to one mortgage company or another. The fact is this is a program here to help individuals. We should not get distracted with side issues. The fact is this program is inclined to help those families while, at the same time, working with the financial institutions. What we have today is—if we could create a situation where the home buyer could refinance, and where the bank doesn't have to go through with foreclosure—the bank doesn't want a house, they want a payment. They don't want to foreclose on the homeowner. If we could do all of this by using FHA, wouldn't that be a good thing? And then the bonus or the dessert on top of that good deal is the fact that we can now do this by utilizing the resources of Fannie Mae and Freddie Mac as a backup, creating this fund that will be there to help home buyers in the future. Today, in this moment, it is going to be there to safeguard and backstop the FHA program, to ensure that the taxpayers are not on the hook, but that homeowners are given a second chance to have a mortgage they can now afford, with the financial institutions taking a haircut. They will be taking a loss. This is no bailout. They will take a loss. Then the home buyer will have a mortgage that is more in keeping with today's market prices. This is a win-win situation that I am delighted we have been able to see come through in this housing bill.

I conclude by extending my thanks to Chairman DODD and Ranking Member SHELBY. I particularly thank the chairman for his courtesies throughout the process in that I have been given an opportunity to make an impact on a couple of issues relating to mortgage brokers, and so forth. I look forward to being of help in any way I can in the process of making this bill become a reality.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I return that compliment. To have a former Secretary of HUD as a member of the Banking Committee is a pretty good asset. When we talk about these issues, to have someone who ran that agency and knows these programs as intimately as Senator MEL MARTINEZ has been a great asset for the committee in developing this product. I will say this publicly. I am deeply grateful to him. Senator SHELBY is, as well, as are all of the members of the committee.

We have had an active and involved committee. The 21 members of the committee have been deeply engaged in this debate over the last year and a half, or more, as we have had some 50 hearings—most of which have been related to the subject matter—to gather the best information and advice we could get in developing the product we have here. The Senator from Florida has been a key element in doing that.

Mr. MARTINEZ. Mr. President, I thank the chairman. I have heard in recent days that this bill hasn't been seen, read, and that somehow there is mystery surrounding this bill. It has been through the committee process. There have been a number of hearings, as the chairman has discussed, on each of the components of this bill. We have had great testimony from all of the financial minds in this country. It is a bill that passed committee with a bipartisan vote of 19 to 2. There is no real mystery here. I realize minor changes have been made in the last couple of days. This is an open process. I hope we are not sidetracked with side issues having nothing to do with what is at stake—America's families who are hurting.

Mr. DODD. Mr. President, Senator SCHUMER was, by consent, supposed to follow Senator MARTINEZ, but the Senator had to attend another meeting. Let me ask my colleague, how long is my colleague from New Hampshire going to be?

Mr. SUNUNU. Four minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

AMENDMENT NO. 4999 TO AMENDMENT NO. 4983

Mr. SUNUNU. Mr. President, I rise to offer an amendment. I ask unanimous consent that the pending amendment be set aside and that my amendment No. 4999 be called up.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SUNUNU] proposes an amendment numbered 4999 to amendment No. 4983.

The amendment is as follows:

(Purpose: To amend the United States Housing Act of 1937 to exempt qualified public housing agencies from the requirement of preparing an annual public housing agency plan)

At the end of Division B, insert the following:

TITLE VII—SMALL PUBLIC HOUSING AUTHORITIES PAPERWORK REDUCTION ACT

SEC. 2701. SHORT TITLE.

This title may be cited as the ''Small Public Housing Authorities Paperwork Reduction Act''.

SEC. 2702. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN QUALIFIED PUBLIC HOUSING AGENCIES.

(a) IN GENERAL.—Section 5A(b) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(b)) is amended by adding at the end the following:

''(3) EXEMPTION OF CERTAIN PHAS FROM FILING REQUIREMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1) or any other provision of this Act—

(i) the requirement under paragraph (1) shall not apply to any qualified public housing agency; and

''(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a 'public housing agency' shall not be considered to refer to any qualified public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this sub-section.

''(B) CIVIL RIGHTS CERTIFICATION.—Notwithstanding that qualified public housing agencies are exempt under subparagraph (A) from

the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall, on an annual basis, make the certification described in paragraph (16) of subsection (d), except that for purposes of such qualified public housing agencies, such paragraph shall be applied by substituting 'the public housing program of the agency' for 'the public housing agency plan'.

''(C) DEFINITION.—For purposes of this section, the term 'qualified public housing agency' means a public housing agency that meets the following requirements:

''(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) administered by the agency, is 750 or fewer.

''(ii) The agency is not designated under section 6(j)(2) as a troubled public housing agency.''.

(b) RESIDENT PARTICIPATION.—Section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) is amended—

(1) in subsection (e), by inserting after paragraph (3) the following:

''(4) QUALIFIED PUBLIC HOUSING AGENCIES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified public housing agency from the requirement under paragraph (1) to establish 1 or more resident advisory boards. Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, at the annual public hearing required under sub section (f)(5), regarding any changes to the goals, objectives, and policies of that agency.

''(B) APPLICABILITY OF WAIVER AUTHORITY.—Paragraph (3) shall apply to qualified public housing agencies, except that for purposes of such qualified public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting 'the functions described in the second sentence of paragraph (4)(A)' for 'the functions described in paragraph (2)'.

''(f) PUBLIC HEARINGS.—'' and

(2) in subsection (f) (as so designated by the amendment made by paragraph (1)), by adding at the end the following:

''(5) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) REQUIREMENT.—Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified public housing agency shall annually conduct a public hearing—

''(i) to discuss any changes to the goals, objectives, and policies of the agency; and

''(ii) to invite public comment regarding such changes.

(B) AVAILABILITY OF INFORMATION AND NOTICE.—Not later than 45 days before the date of any hearing described in subparagraph (A), a qualified public housing agency shall—

''(i) make all information relevant to the hearing and any determinations of the agency regarding changes to the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

''(ii) publish a notice informing the public that—

''(I) the information is available as required under clause (i); and

''(II) a public hearing under subparagraph (A) will be conducted.''.

Mr. SUNUNU. Mr. President, my amendment deals with affordable housing. This is a very large and complex piece of legislation. I know the members of the Banking Committee and the chairman and ranking member worked hard on this legislation. It deals with a number of government-sponsored enterprises that the Senator from Florida spoke about—the housing trust fund, tax credits to try to deal with housing inventories, and the affordability of housing.

I offer this amendment that addresses affordable housing in a slightly different venue, and that is the affordable housing supported and provided by housing authorities all over America.

My amendment reaches out to those housing authorities to help them do their job better, by reducing the amount of paperwork they have to deal with in doing their job of providing affordable and safe housing to people across America. We look especially at the smallest of the housing authorities, the ones that don't have enormous staff, or support groups, or an employment base to help deal with all of the Federal regulations we put on them.

This amendment says to the smallest housing authorities in the country, those with 750 or fewer housing units or vouchers that they manage, if you do a good job and are among the highest performers, not troubled, get the job done, perform well, and pass all of the HUD audits, you won't have to be required to submit a formal plan every single year. You still have to provide a 5-year plan, and you still have to meet all of the civil rights laws in compliance under HUD. But we take away that administrative burden of having to put together a plan every single year. That makes a difference and enables them to focus on their mission, reduce costs and their overhead, but at the same time leaves in place the core requirements that they continue to fulfill that mission effectively and comply with all of the requirements of HUD.

This is something that is strongly supported by the National Association of Housing and Redevelopment Officials. I worked closely with them in crafting this language, and I worked closely with the staff on the Banking Committee in crafting this language. They provided a good number of recommendations and suggestions.

Unfortunately, we have not had many vehicles dealing with housing to come before the Senate. That is why I think it is especially appropriate that we try to address this and take care of it now, before the Senate is consumed by other issues in the months ahead. We have a great opportunity to take a common sense step that is supported by housing authorities across the country.

I ask my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. CARPER. Mr. President, yesterday I was here on the floor and I shared with my colleagues news about work that Senator VOINOVICH and I and others have done to reduce the diesel emissions that come from the approximately 11 million diesel engines across the country, causing tens of thousands of premature deaths from asthma and cancer and other diseases because of those emissions. I talked about how a number of us working together, Democrats and Republicans, in the Senate and in the House, cobbled together legislation that would have a positive affect in reducing the health threats from these emissions.

Today we bring up for consideration another piece of legislation. It is not designed to save lives, but it is designed to make the quality of life better for people in this country, to make sure people who might otherwise not have a decent place to live, might lose their home in which they now live, or they might have a chance to retain that home, or maybe to obtain a home they never otherwise would have had.

One of the things I like especially about this legislation is it was developed in the same bipartisan way that Senator VOINOVICH and I worked on the Diesel Emission Reductions Act. We have legislation here that the chairman of the committee, Senator SHELBY, their staffs, and our staffs have worked on for months to bring to fruition. Also, it involves the great and important input of the administration, the Federal Reserve, and other bank regulators.

If you go back about 2 months ago, in April of this year, the Senate passed what we call the Foreclosure Prevention Act of 2008. At the time, I spoke on the floor about how that legislation was, as I described it, the third act of a four-act play that would hopefully begin to bring economic recovery following this mortgage meltdown.

From time to time in this country, our economy goes through a bubble of one sort or the other. Before another one happens, we have to go maybe 10 years. We experienced the telecom bubble during which the market soared, and not for any good reason—maybe irrational exuberance. Eventually, the values plummeted down to something more reasonable. We went through the housing bubble, where the housing has gone up, and it is hard to explain it as anything but irrational exuberance. That bubble has now collapsed, and we are looking for the bottom and for the market to stabilize property values. We are trying to make sure we get to the bottom quickly, that we maintain the banking system, that we help neighborhoods where there are foreclosed homes, which creates a blight in the community, and to try to ensure that people in an upside-down mortgage situation, where the cost of the mortgage is higher than the value of the home, don't walk away from their homes and create a further blight in their communities.

I have a couple of charts I want to show, you if I may. This refers to the four-act play. Act I stars the Federal Reserve, Ben Bernanke and the folks he works with. Act II, the stimulus package we took up and debated here earlier this year; act III, the Foreclosure Prevention Act that we passed about 2 months ago here in the Senate by a very wide margin; and act IV is legislation that has been reported out of the Banking Committee, I want to say by about an 18-to-2 vote a month or so ago, under the leadership of Senators DODD and SHELBY. Among other things, that provides for a strong, independent regulator for Fannie Mae and Freddie Mac, which are heavily involved in making it possible for people to become homeowners, and also addresses the issue we are having now where the mortgage of a home is greater than the value of the home for which the mortgage is held. So that is the four-act play, and I want to maybe talk about each of those and a couple of them in more detail.

I have been around for a while. In talking about act I, I have never seen the Federal Reserve do the kinds of extraordinary things they have done this year to help us avoid a recession, or if we are to have one, to make sure it is shallow: dramatic moves in reducing the Fed's fund rate; encouraging or taking away the stigma for financial institutions, commercial banks, as well as noncommercial banks, investment banks, to use the discount window; serving as the marriage maker, if you will, between JPMorgan Chase and Bear Stearns as it was about to go down to ensure it didn't fail—just a whole series of extraordinary things—swapping out mortgage-backed securities that banks are holding that are highly illiquid and exchanging in place highly liquid U.S. Treasuries. Those are all things the Fed has done. We have seen them do one or two of those during the course of an economic cycle, but to see all four or five steps within a span of a couple of months is extraordinary, and I give them high marks for what they have done in act I.

Act II was the action taken by the Congress to pass the economic stimulus package earlier this year. While the economic stimulus package was not perfect, probably not the one the Presiding Officer or I would have designed, it was, to its credit, targeted, it was timely, and it is temporary. Right now, it is helping to bolster our economy, and we expect it to add maybe 1 to 1½ percentage points to our gross domestic product.

Act III was the Foreclosure Prevention Act that we passed back in April by an overwhelming majority. I think it passed something like 84 to 12. That bill included a number of important provisions, including making sure more counselors are available to help folks who are sliding into a tough spot, maybe thinking about walking away from their homes, going into foreclosure and losing their homes. We said: We are going to make sure, by allocating $100 million, there are enough trained counselors out there to truly respond to people who need help. So that was part of that legislation. In that legislation, we also helped local communities deal with properties that were foreclosed on or abandoned.

We took the Federal Housing Administration, FHA, which has been around for 75 years, and we made it relevant, if you will, for the 21st century. If you go back 5 or 6 years, something like 15 to 20 percent of mortgages in this country were FHA guaranteed. FHA was created to help first-time home buyers become homeowners and to help folks who had marginal credit strength become homeowners as well. In the last year or so, we didn't have 15 or 20 percent of the mortgages being FHA guaranteed or insured mortgages but maybe 5 percent. What has happened in recent years is people who would maybe at one time have used FHA to become a homeowner instead ended up relying on these exotic adjustable rate mortgages—maybe no downpayment, low interest, or teaser rates to begin with and which balloon up to much higher rates which are hard to get out of, and they then get stuck there and it is difficult to refinance out of. We want to make sure people don't buy their homes with those kinds of financing vehicles and they go back to the plain-vanilla or FHA insured mortgages, 30-year fixed-rate mortgages in many instances. The legislation we passed 2 months ago does just that for the FHA.

Act IV is our effort that is currently underway here today to permanently overhaul the regulation of our government-sponsored enterprises, Fannie Mae and Freddie Mac, which are heavily involved—and I will explain in a minute just how they are heavily involved—in making it possible for people to own their homes. At the same time, we want to help homeowners be able to refinance into affordable FHA mortgages as they are running into difficulties in their own lives.

I think the bill that is before us today, the Housing Economic Recovery Act, truly is a comprehensive effort to address our Nation's housing problems.

For many years, unscrupulous lenders paid no attention—I shouldn't say for many years—in recent years, unscrupulous lenders have paid little or no attention to a potential homeowner's credit history for making their mortgage loans. Home buyers—both knowingly and unknowingly—were given mortgages they could never realistically expect to repay. One might ask why. The answer in part lies in the fact that the financial sector has become increasingly complicated. Today, a mortgage is made, really, in the blink of an eye. The mortgage is bundled with others and sliced into tiny pieces known as ''tranches.'' Wall Street readily buys these mortgages, bundles them together as mortgage-backed securities, and sells them to investors around the world. As long as home prices continued to rise, there was very little risk to the lender, and for years home prices have continued to rise—until now.

In the past, homeowners could always refinance their home and sell it for a profit and pay off their debt. When home prices began to lag, though, a vicious cycle began to emerge, and many of these so-called subprime customers have defaulted on their loans, and homes prices, as we know, have fallen drastically over the last year in many places around the country, eliminating the option to sell for a profit. As a result, the financial institutions and investors are losing billions of dollars and the private secondary mortgage market is in shambles.

Communities are also hurt by home foreclosures. Houses that have been abandoned attract crime and further drive down the home values in their neighborhoods. Homeowners trying to refinance are now finding themselves in an upside-down situation where they owe more than their house is worth. Foreclosure is now more than possible, it is probable for a lot of those homeowners. We have seen hundreds of thousands of people in this country in recent months literally just walk away from their homes. In fact, there is a company called Just Walk Away, designed to actually help people walk away from their home and leave it in foreclosure.

In February of this year, the Senate Banking Committee held a hearing on the state of our Nation's economy, and there were a number of witnesses there—Secretary Paulson, Federal Reserve Chairman Bernanke, and Securities and Exchange Commissioner Cox. All gave testimony on the problems facing our economy because of this housing crisis.

At that hearing, I asked Treasury Secretary Paulson to list the administration's top legislative priorities for dealing with the housing crisis, and the Secretary's response was unequivocal. He was very clear and very direct in his response, and this chart really summarizes it.

He said, first of all, the administration wants housing authorities around the country to be able to issue tax- exempt revenue bonds, not just for first-time home buyers or for multifamily housing but to issue tax-exempt revenue bonds to raise money to help people in desperate situations refinance out of a subprime mortgage and get into something that is better suited for them.

The second thing he said is: We want FHA to be modernized and streamlined and brought into the 21st century so it is relevant again and can help people with questionable credit or maybe people who are fist-time home buyers.

The last thing he said is: We need to overhaul the way we regulate Fannie Mae and Freddie Mac, with a strong, independent regulator, much as our banks have strong, independent regulators. We need that kind of regulator

at Fannie Mae and Freddie Mac and for the Federal Home Loan Banks.

The next thing I wish to do, if I can, is to look at this chart.

One of the other elements of the legislation we passed back on April 10, which was bundled together with the legislation I just described from the last chart, was to move FHA into the 21st century and provide $150 million for mortgage counseling.

We have probably seen on television commercials that say: Having trouble on your home, facing foreclosure, whatever, or facing bankruptcy? Call this number. You always wonder: Is that the number of a scoundrel, somebody unscrupulous, or somebody who will really help the person who is in distress? We are providing through this legislation about $150 million for someone to actually be there to help when the phone rings. At the other end of the line will be someone who is a trained housing counselor who can answer questions and help a person avoid foreclosure and possibly losing their home.

Finally, we provide in this legislation something like $4 billion for CDBG, community development block grants, so that State and local governments, city governments, can help take properties in foreclosure that are really decaying in a neighborhood and damaging the value of the whole community—we want counties and cities to actually buy those properties, fix them up, and get them sold and back into the marketplace so they can get a homeowner in that home.

The last thing I wish to mention is that this housing package we are passing goes even further and creates a new voluntary program within FHA to help those folks who are in an upside-down mortgage situation where they owe more than the house is worth. What our legislation calls for is something we call HOPE for Homeowners, where a number of people are asked to take a financial haircut—not a real haircut but a financial haircut—where homeowners are willing to take a little financial haircut and the lenders and investors as well voluntarily take a financial haircut. In return, the homeowner agrees to stay in the home and then share the appreciation in value, when the value of the home rebounds, with the FHA.

This program is not intended to bail out investors or borrowers. Let me be clear: The Federal Government should not be in the business of rewarding bad behavior. We don't want to do that, and this legislation does not do that. The goal of this program, the HOPE for Homeowners Program, is to help families who can stay in their homes to stay in their homes rather than give up and walk away. We are not going to get rich doing this, but hopefully they will still have a roof over their heads and a little bit of equity in the home they have purchased.

The last thing I want to mention is in terms of regulation of Fannie Mae and Freddie Mac and the Federal Home Loan Banks. They are involved in raising trillions of dollars to finance home mortgages—trillions of dollars. We have strong, independent regulators of financial institutions, thrifts, credit unions, and large bank holding companies, and for the most part they are not nearly as large as Fannie Mae and Freddie Mac, and Fannie Mae and Freddie Mac don't have a strong and independent regulator. They need one, and with this legislation, they are going to get one. The new regulator will have the power to establish capital standards to manage the portfolio of these entities—these behemoths—to review and approve, subject to notice and comment, new product offerings.

For the last few years, I have worked tirelessly with many of my colleagues, including CHUCK SCHUMER—who is sitting right behind me—Senator MEL MARTINEZ, and others, to establish a new world-class regulator for the housing GSEs. We have come close a couple of times, but each time we had to let a few differences stand in the way of our progress. Today, we actually made progress and put in place a strong, independent regulator as we face an uncertain future.

The last thing I wish to mention—and I know I said that once before, but the last thing I especially like about what we do, in addition to providing a strong, independent regulator for Fannie Mae and Freddie Mac, is we require them to establish and to begin contributing into an affordable housing fund.

Some of you know that we have these 12 Federal Home Loan Banks around the country. They raise money that can be used by banks in housing and business to help finance housing construction and purchases. Every one of the Federal Home Loan Banks has a requirement under the law to commit to donate 10 percent of their net income into an affordable housing fund. That filters back into the community, and it leverages a lot more money to help first-time home buyers and multifamily housing. Fannie Mae and Freddie Mac don't have that requirement to contribute to a housing fund. With this legislation we are passing this week, Fannie Mae and Freddie Mac will have that requirement. The amount of money that it will generate in a year, probably a couple years down the road, a half billion dollars a year—twice as much as is generated by the affordable housing fund by the Federal Home Loan Banks. That will be a wonderful tool for us to use in our communities.

I think that is pretty much what I wanted to say. I know my friend Senator SCHUMER is behind me and anxious to say his piece too. So I will just close by saying that with respect to the cost of the bill, I am concerned about paying for things, making sure if something is worth doing, we pay for it. The tax provisions in this bill are not completely offset. Mostly they are, but they are not completely offset. I think there is a shortfall of about $2 billion. We are supposed to be living under the pay-go rules we adopted and put in place in the Senate last year—emphasis on ''supposed to.'' In a tax package such as this one, where the intent was to pay for the new home-buyer credits and other matters, we should have stuck to our principles and found the necessary offsets to pay for these tax breaks or simply scaled them back. Unfortunately, we fell short in that regard. Certainly I don't blame the chairman, who knows what we ought to do and need to do, as do I. That is simply not the jurisdiction of our committee. In the whole package, I suppose that is the one disappointment I have, and my hope is we will come back and fix that later.

Overall, though, this is great legislation. This is great legislation. This will mean real progress in a responsible way, and our chairman deserves great credit, as does Senator SHELBY and our staffs.

I say to my friend Senator DODD that I spoke to the majority staff, the Democratic staff, yesterday in the cloakroom. I sit on the Commerce Committee, among other committees, and we have great staff there, especially at the committee level, and I want to say that this year our majority staff and I think our minority staff have really showed what they are made of, and we will all benefit from that as a nation. So my hat is off to you, our leader, and to our the staffs.

Mr. President, to reiterate, in April, the United States Senate passed the Foreclosure Prevention Act of 2008. At that time, I spoke right here on the Senate floor about how that legislation was the third act in a four-act play that will begin to bring economic recovery following the mortgage meltdown.

Act I was the actions taken by the Federal Reserve to keep interest rates low and provide liquidity to the markets.

Act II was the action taken by Congress earlier this year to pass the economic stimulus package. While our economic stimulus package was not perfect, it was targeted, timely and temporary, and right now is helping to bolster our economy.

Act III was the Foreclosure Prevention Act of 2008 that just passed in April by an overwhelming majority of 84 to 12. This bill included important provisions to provide counseling to Americans facing foreclosure; to help local communities deal with properties in their neighborhoods that are abandoned or foreclosed; and to reform the Federal Housing Administration so that more Americans have access to affordable, safe, government-backed loans.

Act IV is our effort currently underway here to permanently reform the regulator of the government sponsored enterprises—Fannie Mae and Freddie Mac—and to create a program that will help homeowners refinance into a safe, affordable FHA mortgage.

The bill that is before us today, the Housing and Economic Recovery Act, is truly a comprehensive effort to address our nation's housing problems.

For many years, unscrupulous lenders paid no attention to a potential homeowner's credit history when making their mortgage loans. Homebuyers—both knowingly and unknowingly—were given mortgages they could never repay.

Why?

The answer, in part, lies in the fact that the financial sector has become increasingly complicated. Today, a mortgage loan is made in the blink of an eye. The mortgage is bundled up with others and sliced up into tiny pieces—known as tranches. Wall Street readily buys these mortgages, bundles them together as mortgage backed securities and sells them to investors around the world.

As home prices continued to rise, there was very little risk to the lender. The homeowner could always refinance their home or sell for a profit, paying off the debt.

When home prices began to lag, however, a vicious cycle began to emerge. Most of these so-called subprime customers have defaulted on their loans and home prices have fallen drastically over the past year, eliminating the option to sell for profit. As a result, financial institutions and investors are losing billions of dollars and the private, secondary mortgage market is in shambles.

Communities are also hurt by home foreclosures. Houses that have been abandoned attract crime and further drive down the home values in the neighborhood. Homeowners trying to refinance now find themselves ''upside down''—owing more than the home is worth. Foreclosure is now more than possible, it is probable for many homeowners.

In fact, there are companies that now specialize in teaching homeowners how to just walk away from their home.

In February of this year, the Senate Banking Committee held a hearing on the state of the Nation's economy. Treasury Secretary Paulson, Federal Reserve Chairman Bernanke and Securities and Exchange Commissioner Cox gave testimony on the problems facing our economy because of the housing crisis.

At that hearing, I asked Secretary Paulson to list the administration's top legislative priorities for dealing with this housing crisis. The Secretary's response was unequivocal:

Congress must allow communities to issue more mortgage revenue bonds, modernize the Federal Housing Administration and give the government sponsored enterprises a new regulator.

I am pleased that this bill before us today addresses each and every one of the administration's priorities.

First of all, we would allow the issuance of an additional $10 billion in mortgage revenue bonds to be used not only for first-time homebuyers and low-income housing, but also to help homeowners refinance out of a subprime mortgage.

This bill also contains the FHA modernization provision, passed in the Foreclosure Prevention Act, earlier this year.

This bill brings the FHA into the 21st century by expanding the maximum FHA loan limit from $360,000 to as much as $625,000 in high-cost areas. This bill also streamlines and automates the process to apply for an FHA loan, making it easier for American families to have access to safe government guaranteed loans.

Along with these steps, the bill includes $150 million for housing counselors across the country, and almost $4 billion in community development block grants to go to communities hardest hit by the foreclosure crisis.

The Housing and Economic Recovery Act goes even further to create a new voluntary program within FHA to help homeowners in ''upside down'' mortgages to refinance into a safe, affordable FHA mortgage.

Under the new Hope for Homeowners program, lenders agree to take a loss and allow a homeowner to refinance into a new loan. In return, the homeowner agrees to share any future appreciation with the FHA.

This program is not intended to help bail out investors or borrowers. Let me be clear: The Federal Government should not be in the business of rewarding bad behavior.

The goal of this program is to help families who can stay in their homes, remain in their homes rather than give up and walk away.

The Housing and Economic Recovery Act also provides assistance to the secondary mortgage market by reforming the regulator for the government sponsored enterprises—often called GSEs—which are made up of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks.

Today, Fannie Mae and Freddie Mac are regulated for safety and soundness by the Office of Federal Housing Enterprise Oversight. The Department of Housing and Urban Development is the mission regulator.

Since its creation, the Office of Federal Housing Enterprise Oversight has lacked the same regulatory powers and authorities of the other banking regulators. This bill provides the new regulator with all of the tools needed to ensure that the enterprises and the Federal Home Loan Banks operate in a safe and sound manner that is consistent with their statutory mission.

The new regulator will have the power to: establish capital standards; manage the portfolio; review and approve—subject to notice and comment—new product offerings.

For the last few years, I have worked tirelessly to establish a new world class regulator for the housing GSEs. We have come close several times, but each time we would let a few differences stand in the way of progress.

In addition to creating a new world class regulator, this bill also creates an affordable housing trust fund. This fund will generate hundreds of millions of dollars each year to be used to create safe and affordable housing for those most in need.

The Federal Home Loan Banks already set aside 10 percent of their profits to go to affordable housing. Fannie Mae and Freddie Mac will now also contribute a small amount of each new business deal to create this new trust fund.

Both Senator DODD and Senator SHELBY have done a very good job reaching a compromise on this bill. I know it is not easy. And like most compromises, this one is not exactly perfect.

If I could, I would just like to take a minute or two to express some concerns I have about the final product. First is an issue many of us have raised, and that applies to the enactment date in the bill for the new GSE regulator. Under this legislation, the director of the Office of Federal Housing Enterprise Oversight would have all the supervisory powers immediately after the bill is signed into law.

Under the GSE bill the House passed, we would allow 6 months before the new regulatory agency is created. To me, a 6-month cooling off period, in order to give the new agency time to transition, makes sense.

Also, it can be argued that there is a bias against the GSEs holding mortgages on their portfolio. While we want to make sure that the GSEs are not taking on undue risk, we should also be mindful that current market conditions require the GSEs to take a more active role in ensuring liquidity in the market. Today, they can only do that by purchasing mortgages and holding them in their portfolios.

Another concern that I have is the cost of this bill. The tax provisions in this bill are not completely offset and there is a shortfall of approximately $2.4 billion. We are supposed to be living under pay-go principles in the Senate. Emphasis on ''supposed to be.'' On a tax package such as this one, where the intent was there to pay for the new homebuyer credit and other matters, we should have stuck to our principles and found the necessary offsets to pay for these tax breaks or simply scale them back. Unfortunately, we fell short.

Having said all that, I believe that, overall, this legislation will help to bring stability to our economy and make the changes to our regulatory structure to ensure a healthy housing sector for the future. I have worked hard for years on elements in this final housing legislation and I am hopeful they will become law soon.

Mr. DODD. Madam President, before he leaves the floor—I will recognize Senator KOHL and Senator SCHUMER. Senator SCHUMER is on the floor. We heard from Senator MARTINEZ and others.

This doesn't happen miraculously. Senator CARPER has been deeply involved and committed to these issues for a long time. There was a while when I couldn't see him without ''GSE'' being the first thing out of his mouth.

I thank him for his persistence over the months when we developed this final product, and I thank him immensely for his work.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The Senator from Wisconsin is recognized.

AMENDMENT NO. 4988 TO AMENDMENT NO. 4983

(Purpose: To protect the property and security of homeowners who are subject to foreclosure proceedings)

Mr. KOHL. Madam President, I ask unanimous consent to set the pending amendment aside and call up amendment No. 4988.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KOHL] for himself, Mrs. LINCOLN, Ms. MIKULSKI and Ms. COLLINS, proposes an amendment numbered 4988 to amendment No. 4983.

Mr. KOHL. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. KOHL. Madam President, today I rise to briefly discuss my amendment No. 4988, which is cosponsored by Senators COLLINS, LINCOLN and MIKULSKI.

In February, I held a revealing hearing in the Aging Committee that uncovered the ways scam artists prey on homeowners in financial and emotional distress. These scams are a consequence of the mortgage crisis that is plaguing our country—and my amendment attacks this growing problem.

For most people, their home is their greatest asset. When a homeowner falls behind in their mortgage payments, it is a great emotional strain. Scam artists prey on an owner's desperation and give them a false sense of security, claiming they can help ''save their home.'' The types of scams vary, but the end result is that the homeowner is left in a more desperate situation than before.

There are three types of prevalent scams. The first is ''phantom help,'' where the ''rescuer'' claims that they will call the homeowner's lender and renegotiate the loan for a fee. Often the homeowner will pay the fee—but the ''rescuer'' will abandon the homeowner without any intervention. The second is a ''rent-to-own'' scheme which is set up to fail. A homeowner will sign over the title of the house and make monthly payments to the scammer in order to help rebuild their credit. However, the monthly payments are extremely high and often result in the homeowner violating the contract and being evicted. Finally, a homeowner may be tricked into unknowingly signing over the title of their house and power of attorney to the scammer and the scammer will then sell the house to a third party. The scam artist might give the homeowner a small amount of money, but often only a fraction of the actual selling price.

As you can see, these scams are well crafted and extremely complicated. Catie Doyle, the chief attorney for Legal Aid Society of Milwaukee, testified before the Special Committee on Aging, describing the difficulties and problems lawyers are facing when trying to help victims of these scams. One major problem she pointed out was that lawyers have to piece together both State and Federal laws to untangle these scams.

The amendment I am offering will remedy Ms. Doyle's concerns. While there are some States that have foreclosure rescue scam laws or are in the process of enacting them, many homeowners still go unprotected from these predators. This legislation will require that all contracts between a foreclosure consultant and a homeowner be in writing and fully disclose the nature of the services and the exact cost. Additionally, the bill prohibits upfront fees from being collected and prohibits a ''consultant'' from obtaining the power of attorney from a homeowner.

I have a letter of support from a variety of consumer groups including the Center of Responsible Lending, Consumer Federation of America, National Community Reinvestment Coalition, the National Fair Housing Council, National Consumer Law Center and the National Council of La Raza.

The foreclosure crisis is devastating homeowners and communities across the country. Most communities across the country are experiencing both the primary and secondary effects. It is important that we address fraud at the front end of the lending process, as well as for those who face foreclosure. I hope that we can work together to move this amendment forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Madam President, I rise in support of this much-needed legislation. I find it difficult to believe that with our economic crisis, the President issued a veto threat today. I would like to explain why the bill is good, why it is needed; there are some changes I would like to see made; and then talk a little bit about the President's veto threat.

First, I commend Senator DODD and Senator SHELBY for working so long and hard on this bill. This is not an easy bill, particularly when you have so many different concerns and considerations. I know how hard the chairman worked on this bill. I know how hard Senator SHELBY did. They were wide apart in what they believed in. They came together in the middle with a compromise that is a very good step forward.

There are parts of this bill that are extremely important. The foreclosure counseling—this is something I have been championing for a long time. We need counselors. For about half of those who are about to go into foreclosure, or will be delayed in their payments, a mortgage counselor could be the difference between them saving their home and losing it; between the neighborhood going down the drain or staying decent; even between our economy going into a deep recession or on the edges of one—the way it is now.

We need these counselors. They are not expensive. They do a world of good. They take the place of the banker who used to be on the scene when banks held mortgages. The CDBG money is extremely important. We have communities in Queens and Long Island and particularly in upstate, places such as Buffalo and Rochester and Syracuse, where neighborhoods have a tough go. You get a few foreclosed homes that are abandoned and then vandals come in and rip out the plumbing and the electric parts. Then drug dealers come in and make these a haven for crime. One foreclosed home can have the whole neighborhood go down the drain.

In the suburbs, a foreclosed home may not have those consequences, but it certainly can mean a difference in the values of the home on the surrounding block or the surrounding area going up or going down. For so many Americans, their home is their little piece of the rock; it is all they have. They put all their sweat equity in it. For no fault of their own, because somebody else lost their home on their street or in their neighborhood, they should not have to lose value. CDBG will help deal with that.

We also have in this bill mortgage revenue bonds. I am very proud of the way these have been crafted. It is $11 billion to refinance subprime loans for struggling borrowers. There is a recycling provision. It is very important to my State, where we use our mortgage revenue bonds very quickly because there is so much need.

The HOPE for Homeowners Act—again, it is not going to save everybody. But for the people who are underwater but not so deeply underwater, this is a lifesaver. It basically says to them: You can refinance your mortgage at a lower rate. It says to the mortgagor, you are going to get repaid, not everything but at least most of what you put in. It is not a panacea. In my point of view, it would be a lot better to have the bankruptcy provision here as a club to get the lenders into these, to use these provisions. But it sure does a lot more good than not doing anything at all.

Of course, there is FHA modernization, which we have been seeking for a long time—GSE modernization and reform which creates, for the first time, a world-class regulator. We are going to need Fannie and Freddie in future years. We have to have them both be safe and sound and flexible. They

should not be just private government agencies and only do the same thing banks do but with the Government imprimatur. On the other hand, they cannot, because the Government is behind them, do anything they want, be reckless or lose their capital.

The reform creates the right balance. I am proud of the reform. It raises capital requirements, it puts a regulator in who can go in and look over their shoulder—which they need. But at the same time, by and large, it preserves the flexibility that Fannie and Freddie need to fill the hole between the private sector and what the Government does—and they do it well.

In addition, we are going to need Fannie and Freddie to be strong because right now they finance about 80 percent of the mortgages in this country. We are going to need them to be strong to help us get out of this crisis. To veto this bill when we need them so badly is almost—it edges toward irresponsibility.

Finally, the Affordable Housing Fund—to help those who cannot on their own achieve the dream of owning a home but who struggle so mightily to get there. My colleague from Rhode Island, JACK REED, has done a masterful job, persistent, knowing when, and cut his deal at just the right time.

It is a good bill. I have two concerns where I agree with the House, frankly. I say to my good colleague from Alabama, who I know has differences on these, that the House—and many of us on this side of the aisle—are of a different mind than he. I hope we can compromise this quickly.

First, the effective date. It is unheralded, when you have a major change in the law with a new regulator, to say the effective date is immediate. You need time. More important, I am worried that because this regulator, while he is great on safety and soundness, doesn't like Fannie and Freddie very much and will go too far in the regulations and tie Fannie and Freddie's hands for a very long time way on into the future, with unintended consequences of which we are not aware. To give the new powers to the new agency overnight, with no time to establish itself or prepare, particularly when you have someone who would be in charge who does not—at least share my views on how Fannie and Freddie ought to function, is a bad idea.

I hope when we meet with the House—I have spoken with Chairman FRANK and he agrees with our side—I hope he, Senator SHELBY, will realize how strongly some of us feel.

Second is the idea of Fannie being able to securitize. There is language on the portfolio regulation that could unnecessarily restrict the portfolio business of the GSEs by creating a bias toward securitization. If Fannie and Freddie want to hold some of these mortgages, they should—particularly now, when the securities market is either nonexistent or weak and fragile and in some places hard to find. I hope we can address this issue as well. I do not understand why we would not allow Fannie and Freddie to hold mortgages; why we put such an impetus on them to securitize when the security market is weak.

If this provision stays in the bill as is—there is a debate. I know some believe it has more flexibility in it than I do. But, if—if, if, if—I am right, it could actually handcuff Fannie and Freddie in their role of rescuing us out of this housing crisis at a time when they are very much needed.

AMENDMENT NO. 4984

Finally, I wish to take a moment to address an amendment filed by my colleague from North Carolina. While I respect her intentions, I oppose the Dole amendment, which would unravel the strong agreement the New York attorney general reached with the GSEs on appraisal standards. Inflated appraisals are one of the prime causes of the housing crisis. To allow banks to own appraisers without anyone looking over their shoulder is a built-in conflict of interest. We should not do that. I hope we will not.

Finally, on the President's veto message—this President is further and further removed from the economic realities of this Nation. To veto this bill at a time when housing is at the nub of our economic crisis—at a time when housing prices are declining, at a time when foreclosures are increasing—makes no sense whatsoever. It seems the President is on a different economic planet than most Americans because, even if you do not hold a mortgage, even if you fully paid your mortgage, you are being hurt by this economy where foreclosures are rampant and housing prices plummet. The ripple is outward—people buy less, people vacation less, people have less money and feel less free with it. The vise of high energy prices and declining home values cripples our economy.

Here we have a bill passed 19 to 2 out of the Banking Committee, broad bipartisan support, and out of the blue the President issues a veto threat. What is going on here? Which economy is he looking at? It is appalling. In his veto message, there is language and there are things that contradict what his own Secretary of Treasury has said about portfolio loan limits.

I think the veto message indicates the ambivalence within the administration because it is not as strident and even as forthright as many are. But, unfortunately, the ideologues won out. The ideologues say: No government involvement. Let everyone learn their lesson even if the economy, people's savings, their whole lives, and their home goes down the drain.

What kind of thing is that? Maybe that was the predominant thinking in 1893 but certainly not in the America of 2008.

I say to my colleagues, if they want to know one of the reasons the President is so unpopular and why so many Americans think the country is headed in the wrong direction, it is because he threatens to veto a modest bipartisan piece of legislation such as the one Senator DODD and Senator SHELBY have put together.

It defies understanding. I have always believed when ideologues run the show on the far right or far left, we lose. In this case, with this veto message, it feels as though the ideologues have started running the show, and homeowners, neighborhoods, communities, and our country's economy will suffer from that wrongly held belief.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Madam President, let me begin by saying that I am delighted we are on the floor of the Senate today addressing this question of housing. I congratulate the chairman, Senator DODD, on a long effort over several months to be able to try to get the response the Senate ought to be providing to what is an obvious crisis in the country.

I think a lot of people in the country have to be scratching their heads and wondering where the Congress has been on this matter, where Washington has been, and where the administration has been. I know it is particularly frustrating to the chairman and to many of us. Way back in January, I recall going to the White House for a meeting on the question of a stimulus package and saying to the President: Mr. President, the obvious crisis is in housing, and you cannot address it and stem the hemorrhaging with respect to the American economy unless you deal with the cause, which is the subprime crisis.

I remember Secretary Paulson was there, Vice President CHENEY, and others. Heads nodded in a kind of consent. Then the President proceeded to go to the State of the Union Message and call in his State of the Union Message for the mortgage revenue bond proposal.

Still, here we are now in June, and we do not have an adequate response at the Federal level to the housing crisis from the Congress. We have had some responses by lowering interest rates. But, the fact is, you pick up the paper and see there were record levels of mortgages in foreclosure in the Washington area and in other parts of the country. As we all know, when that happens to a community, it is not just a few houses, it is not just the families directly impacted by virtue of foreclosures, it is the entire community. When a street has a group of foreclosures on it, the housing values all around start to go down. The local pharmacy gets hurt, the gas station gets hurt, the 7-Eleven gets hurt, the police wind up having to patrol more because they have more homes that are then on the market. The real estate market becomes glutted.

So the downstream implications are gigantic. In Boston, Mayor Menino and

I sponsored an afternoon in Roxbury where families were invited to come in. We finally got them to be able to sit down with a human being. They had been telephoning and going through 10 or 15, ''push 5,'' ''push 3,'' ''push 2,''. A consecutive series of pushing buttons and they were exasperated because they could not talk to someone to get answers for their individual situations.

So we got the 10 biggest lenders to come in and sat them down with these people over the course of a day. During the time that I was there, I actually had people come up to me with huge smiles on their faces and saying: Thank you. I just cut a new deal. I am staying in my home. They were able to go from a 13-percent interest rate—think of that, 13 percent. I would like to know what CEO of a company in America was paying 13 percent on a mortgage, or 9 percent on a mortgage. But here were these hard-working Americans paying $5,000 a month for their home, who had put money back into their home. The equity loan they took on their home, in too many cases sort of pushed on them, they put into rewiring or roofing, putting a new boiler in, raising the equity in their home. Then all of a sudden their interest rates started to go up, often by circumstances beyond their control. One woman I met and talked to held down two jobs and was buying her mortgage on the basis of the two jobs that she held down. But then she got sick and she was not able to hold onto the two jobs. Because she got sick all of a sudden, she was threatened with foreclosure.

She offered to buy the home at the rate they were going to sell the home after it was foreclosed on. She could afford to do that and could afford to pay for the mortgage at a discounted rate. They refused to sell it to her. They refused to allow her to stay in it.

Extraordinary circumstances of stubbornness or bullheadedness—I do not know what principle was being applied. But in the process, a lot of average folks are getting squeezed and hurt, I mean seriously hurt, as a result.

Equally important, it has continued the process of depressing the market and driving it downward. So I am glad we are here. I hope we can get it done because it is long overdue, long overdue. But we cannot allow the acute crisis in foreclosures to also cloud the other opportunities that are presented in this bill.

GSE reform, the FHA reform, the Foreclosure Protection Act, there is a provision in here for veterans, which I have sponsored. I think all of those are important components of this bill. But there is also another part of the housing crisis, and it is being addressed in this legislation; that is, the ongoing and deepening shortage of affordable rental housing in our country.

So I was very pleased the National Affordable Housing Trust Fund was included in the Housing and Economic Recovery Act, and that would produce about 1.5 million affordable rental housing units for our poorest families over the next decade.

As the original author of this legislation, I know what it is going to be able to do. I had the privilege of serving on the Banking Committee and serving as chairman of the Housing Subcommittee. I worked with some of the staff who are still here—Jonathan Miller and others—who helped pull this together in an effort to create a trust fund that will help us provide funding.

That is why I strongly oppose the Bond amendment to make contributions to the trust fund by Fannie Mae and Freddie Mac voluntary. I think the Bond amendment to make these contributions voluntary is the wrong amendment and would have a very damaging impact on our ability to be able to deal with rental housing and the rental housing crisis.

Let me explain why. Fannie Mae and Freddie Mac already have requirements to assist low- and moderate-income families to obtain critical housing. What we do in this bill is take excess funding that is produced in housing. It is not often you have a program that is producing excess funding, and then there is still need in that particular sector. So you can actually take the excess and put it back into that sector to address the need. We create that excess through GSEs. What we do is take the excess and put it into a revolving fund to produce rental housing. In September of 2000, I first introduced this legislation. Last year, along with Senator SNOWE, on a bipartisan basis, we again introduced the National Affordable Housing Trust Fund to address the very question of a severe shortage of housing by establishing a rental housing production program. We now have 23 bipartisan cosponsors.

Similar legislation passed the House of Representatives last year with a bipartisan vote of 264 to 148. With the work of Senator JACK REED on the Banking Committee, of Chairman DODD, and of Ranking Member SHELBY, they have helped to bring this bill to the Senate floor at this critical moment by including it in the Housing and Economic Recovery Act.

Frankly, it does not make sense in terms of our economic interests, our housing crisis interests, our family interests, to now suddenly make voluntary something that has the ability to be able to address such a critical need.

The Affordable Housing Trust Fund would create a production program that will ensure 1.5 million new rental units are built over the next 10 years for extremely low-income families and working families.

The goal is obviously to create long-term, affordable, mixed-income developments in the areas with the greatest opportunities for those low-income families. It has been endorsed by more than 5,700 community organizations led by the National Low-Income Housing Coalition, including the National Association of Realtors, the National Association of Home Builders, the Children's Defense Fund, the U.S. Conference of Mayors, the National Coalition for Homeless, and many others.

The funding from the trust fund can be used for construction, rehabilitation, acquisition, preservation incentives, and operating assistance to ease the affordable housing crisis. Funds can also be used for downpayment and for closing costs assistance by first time home buyers.

Since 2006, the American housing construction industry has shed 457,000 jobs. The construction of fewer homes means fewer new kitchens, fewer new basements for manufacturers to place their appliances and other products. The loss of manufacturing jobs follows from those fewer purchases and placements of appliances.

Job losses combine with slumping home sales to depress consumer confidence, and that causes a slowdown in spending, and then you ultimately shrink the economy.

This is not a small impact. Passing the trust fund will help create thousands of jobs in housing construction across the Nation, and it will help to turn our country around. This is what a real stimulus package ought to do, create jobs for the long term not pass out checks that burn up in the short term. It will help signal to businesses across the Nation to produce jobs that are critical to our economic security.

So voting for the Bond amendment will, in fact, reduce our ability to address the current crisis in the economy and reduce the creation of new jobs. Because of the lack of affordable housing, an awful lot of families are forced to live in substandard living conditions. Do you know what that does? That puts a lot of children at risk in America. Children living in substandard housing are more likely to experience violence, hunger, lead poisoning, or to suffer from asthma. They are then more likely to have difficulties learning and more likely to fall behind in school. Our Nation's children depend on access to affordable rental housing.

One other thing people don't often think about, if you don't have affordable housing or you have insecurity in your housing, you also have a downstream impact on schools. Because kids who have to move from home to home are kids who are more likely to get yanked out of a school. Classes are disrupted and the school is then disrupted. We have a much longer term interest, in terms of our workforce development as well as the stability of our communities, to make certain that we have affordable housing available. The trust fund will produce 1.5 million units of affordable housing to provide children in America with a better quality of life. The Bond amendment would make that entirely voluntary. If it is voluntary, it is not going to happen today for low-income families.

Long-term changes in the housing market have dramatically limited the

availability of affordable rental housing across the country. It has severely increased the cost of rental housing that remains. In 2005, a record 37.3 million households paid more than 30 percent of their income on housing costs, according to the Nation's Housing 2007 Report from the Joint Center on Housing Studies at Harvard University. Approximately 17 million families paid more than half of their income, 50 percent of their income, on housing costs. The trust fund would produce rental housing and help lower the cost of housing. This is especially important for families, those 17 million and 37 million families with high housing expenditures. Adopting the Bond amendment will mean that many more children and their families will live in substandard housing or will become homeless. They are children who are ultimately less likely to do well in school, if they even stay in school. I believe that is unacceptable.

I hope colleagues will oppose the Bond amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I will try and propound a unanimous consent request one more time.

I ask unanimous consent that at or about 4:30 p.m., the Senate proceed to vote in relation to the following amendments in the order listed, and that prior to each vote there be 2 minutes of debate equally divided and controlled in the usual form; that after the first vote in the sequence, the vote time for the second vote be 10 minutes, with no intervening amendments in order: Bond amendment No. 4986 and the Bond amendment No. 4985. Further, that time be allocated as follows: Senator DOLE has requested 5 minutes to talk about a proposal she is offering; Senator BOND for 10 minutes; Senator SHELBY for 10 minutes; and myself for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from North Carolina is recognized.

AMENDMENT NO. 4984

Mrs. DOLE. Madam President, on March 3, 2008, Fannie Mae and Freddie Mac signed agreements with the attorney general of New York to adopt a Home Valuation Protection Code, which was crafted by the attorney general's office and approved by OFHEO, in consultation with the enterprises and other market entities. The code establishes requirements governing appraisal selection, solicitation, compensation, conflicts of interest and corporate independence, among other things.

The code's concept of appraiser independence and accuracy should be endorsed because these concepts are important to a safe and sound process that is properly structured, regardless of whether lenders use third-party, affiliated, or in-house staff appraisers. However, the code leans heavily towards inconsistent and potentially counterproductive regulation of the lending industry. Lenders would essentially be required to be regulated by the New York attorney general or suffer serious impairment of liquidity. In addition, the role of the New York attorney general in promulgating the code is misplaced and an attempted exercise of one State's regulatory authority over federally and other State-regulated lenders.

My amendment would require the Director of OFHEO to issue a regulation establishing appraisal standards for mortgages purchased or guaranteed by Fannie Mae and Freddie Mac. It would ensure that mortgages purchased or secured by Fannie Mae and Freddie Mac are collateralized by properties subject to fair and accurate appraisals, which is necessary to maintain the integrity of the mortgage process, improve the safety and soundness of the enterprises, and reduce the potential for mortgage fraud. Additionally, this amendment will also ensure the establishment of a common set of appraisal standards governing mortgage lenders that are federally supervised and regulated. This includes requiring the process controls necessary to ensure independence, avoid improper influences, and avoid overvaluation.

In May, when the Banking Committee approved this bill we are now discussing, I agreed to discuss this amendment and asked that Chairman DODD and Ranking Member SHELBY to work to include this important provision once our committee product reached the Senate floor. At the time, I appreciated how both the chairman and ranking member made favorable remarks as to the intentions of my amendment and a willingness to work with me on this, and I hope that they will now honor this commitment.

I understand the managers are working on a time certain to vote on my amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time? If no one yields time, time will be charged equally to both sides.

The Senator from Missouri is recognized.

AMENDMENT NO. 4986, AS MODIFIED

Mr. BOND. Madam President, to clarify, amendment No. 4986 relates to the affordable housing trust fund. I have a minor modification. I have asked both sides if they would accept it. I ask unanimous consent to so modify the amendment, and I send the modification to the desk.

The PRESIDING OFFICER. To which amendment is the proposed modification?

Mr. BOND. Amendment No. 4986.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. DODD. Reserving the right to object, I haven't had a chance to look at it. I would have to take a minute to look at what he is proposing.

Mr. BOND. Madam President, then I will withdraw my request until my colleague has had an opportunity to look at it.

The PRESIDING OFFICER. The modification is withdrawn.

Mr. BOND. Let me explain briefly that we added one sentence to a two-sentence amendment saying, in essence, that it will not affect the GSEs, existing affordable housing programs. Those are programs already in effect. There was some question about whether they would be affected. The amendment makes clear what was implied. I expect that one will find no change in it. In any event, that is not the point. The point is to remove the tax the Banking Committee provided, which is a tax on GSEs which, without any input or other involvement, would pay support for a whole range of groups. There are many groups, such as ACORN and others who build low-income housing. Who knows, it might even be Habitat for Humanity. But they would be able to use these funds to provide soft costs to support the programs and other related costs.

Fannie Mae and Freddie Mac should be able to continue to use their existing affordable housing program that they administer, that they were set up to do, and not have their funds taken away to fund another program over which they have no control, no responsibility. There is absolutely no reason to tax these entities to support housing groups which may or may not be responsible or capable of administering good housing programs. There will also be additional economic risks to Fannie and Freddie, depending on the use of these funds and the quality of the groups which receive these funds.

More critical is the unprecedented approach that requires the GSEs to pay a tax for something for which they have no responsibility.

Let me be clear, the GSEs have a mission. They have a very important mission. When we initially talked about this program, we talked about giving them more authority to go in and help in these situations. Statements made on the other side that we are going to cut off all funding and all assistance to homeowners in distress are absolutely irresponsible and totally without basis. We provided and I believe this body adopted some good ideas—I will speak about those in a minute—in previous bills on how we deal with the housing crisis. But right now what we are saying is, let's stop this.

This is saying to the GSEs, you may have some excess left over after you have carried out your affordable housing mission. We want to come in and take it away from you and spend it someplace else. Let's be clear, this is not saying to the entities that we want you to do your mission. We are saying we are going to take away money that you put into your mission. We are saying, forget your mission. We are going to take some of your revenue raised in

part from capital markets where private sector shareholders have their retirement funds, their annuities, or their investments in those companies, hoping and expecting to share in the revenue. That may be pension funds, retirement funds, endowment funds that are counting on getting some of that revenue. Oh, excuse me, even though the GSE has carried out the mission that we asked of it and generated some ''excess'' revenue that might be distributed to those people who put up capital in the GSEs, we are going to take it away.

How long before this body decides to go to other GSEs, such as Sallie Mae, and say: We have a better idea. We are going to take any revenue you make and we are going to put it someplace else? Or to utilities and say: You are regulated, and you may have some excess money left over that you wish to return to your shareholders, but since you are regulated, since you have a government franchise to provide utility service, we are going to take some of your revenue and put it elsewhere? To me that is an unconscionable grab. It offers a precedent that is very dangerous for this body, to be taking funds from one entity and transferring it to another entity by fiat. It is discriminatory, and it has the potential to have a significant impact on the people who have put their money into these funds.

I ask again if my colleagues have had an opportunity to review the modification as sent forward?

The PRESIDING OFFICER. Is there objection to the modification?

Mr. DODD. Are you going to resubmit the modification?

The PRESIDING OFFICER. It is at the desk.

Mr. DODD. Reserving the right to object, as I understand what my colleague from Missouri is suggesting is that the existing affordable housing program under the GSE, that whatever language is there that would have affected that is taken out by this modification.

Mr. BOND. That is correct. There is no intent to correct that.

Mr. DODD. But the modification corrects that.

Mr. BOND. That is the purpose of the modification.

Mr. DODD. The underlying amendment would object to the proposed addition to the affordable housing program authored by Senator REID in the bill. That still is the substance of the amendment?

Mr. BOND. That is correct.

Mr. DODD. I have no objection to the modification.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Insert the following at the appropriate place:

SEC. xxx.Notwithstanding any other provision of law, Fannie Mae and Freddie Mac shall not be responsible or any payments either directly or indirectly to other Housing entities under the Affordable Housing program unless these GSEs voluntarily provide funding. The GSEs will continue to administer their affordable housing program. None of these funds in the bill shall be used for soft program costs, including staff costs.

Mr. BOND. I thank the Chair and yield the floor.

Mr. DODD. Madam President, let me take a few minutes, if I may, because I have yet to really address these two amendments and also the one I know our colleague from North Carolina is going to propose or is in the process of proposing.

AMENDMENT NO. 4985

Madam President, let me deal, first of all, with the HOPE for Homeowners Program. I raised earlier this morning—and I will do it again, if necessary—that 8,427 people as of today will file for foreclosure. That number was for every day in the month of May. That is in excess of the numbers back in April and even back in March. But they are growing. So every single day we delay moving on this, we have, on average, again, some 8,000 to 9,000 people in our country who are entering the foreclosure process and losing their homes, and 1.5 million people have already. We have been told and warned by those who acknowledge and follow these issues that this is a crisis that is not shrinking; it is growing. It is growing by the hour, let alone by the day.

The HOPE for Homeowners Act that Senator SHELBY and I and 17 others of our committee have fashioned together—very similar to what the other body has done—is designed specifically to offer some relief to these people facing foreclosure. Both lenders and borrowers will take what is called a ''haircut.'' It will be painful. It will not be easy. It is voluntary. It is temporary. But it offers some hope that we can put the brakes on this ever-escalating problem of foreclosures in our country.

It is not only affecting homeowners, which is obviously bad enough, it is affecting commercial loans, student loans, municipal finance. The global implications are obvious to anyone who has paid any attention to the issue. So this idea, which is central to this bill, is critical.

The amendment offered by the Senator from Missouri would eliminate this program altogether, despite all the recommendations from the American Enterprise Institute, the Consumer Federation of America, other lending institutions, the Federal Reserve members. In fact, the present Chairman of the Federal Reserve, while not endorsing the bill, has called for this kind of action.

Quite simply, we are living through one of the worst housing market crises since the Great Depression. Almost 1 in every 11 homes with a mortgage in this country is in default or foreclosure as of the end of March. This is the highest level since the Mortgage Bankers Association began collecting data in 1979. Foreclosure rates have grown and grown at record levels for some time, and last year about 1.5 million, as I have said, have already gone into that status.

This foreclosure crisis hurts everyone, as we all know. As Federal Reserve Chairman Ben Bernanke recently stated:

> [H]igh rates of delinquency and foreclosure can have substantial spillover effects on the housing market, the financial markets, and the broader economy. Therefore, doing what we can to avoid preventable foreclosures is not just in the interest of lenders and borrowers. It is in everybody's interest.

The HOPE for Homeowners Program is built on a concept raised by Chairman Bernanke:

> The best solution may be a write down of principal or other permanent modification of the loan by the servicer, perhaps combined with a refinancing by the Federal Housing Administration or another lender.

That is also from Chairman Bernanke, the Chairman of the Federal Reserve Bank.

Mark Zandi of Moody's Economy.com recently wrote:

> Unless policymakers soon become more creative and aggressive, the risks are rising that the current recession will be more severe and the ultimate recovery more disappointing than anyone currently anticipates.

The evidence is overwhelming. The recommendations come from across the political spectrum. This is absolutely critical at this pivotal moment on this economic issue. Senator KERRY earlier talked about that at the heart of our economic crisis is the housing crisis, and the heart of the housing crisis is the foreclosure crisis. Were the Bond amendment to be adopted, the very bipartisan effort we have spent months working on to achieve here would be lost.

I urge my colleagues, as they have heard from our colleagues—Senator GREGG of New Hampshire, Senator MARTINEZ, Senator ISAKSON; and on our side, Senator BOXER, Senator SCHUMER, and Senator CASEY; and, obviously, Senator SHELBY and myself—across the spectrum here—we recognize this idea may not solve every problem, but if we can keep 400,000 to 500,000 people in their homes, that is a step forward in the right direction to help Americans facing these kinds of crises. I urge my colleagues, at the appropriate moment, when this matter is before us, to say, respectfully, to my friend from Missouri that we reject this amendment and will keep this very critical element of this very important housing bill.

AMENDMENT NO. 4986, AS MODIFIED

Madam President, the second proposal by Senator BOND also, in my view, should be rejected. We have modified the amendment, so any possible inference he would be striking the existing program has been taken out of this bill. I applaud him for that, and I thank him for that. But the problem still persists.

As Senator KERRY of Massachusetts just pointed out, this problem with affordable housing is growing. It is staggering in its proportions. Over 3.5 million people in our country, including

1.3 million children, experience homelessness each year. For most of these families, all that is needed is affordable housing.

The gap between rental costs and wages of low-income people is significant. To give you some idea as to the housing assistance necessary for many working Americans, a person has to earn over $17 an hour just to afford the average fair market rental without forgoing other basic needs. That is three times the current minimum wage.

There are 7.4 million disabled Americans on SSI. SSI benefits are lower than the average fair market rent. Rental costs are more than 100 percent of their SSI benefits. Without housing assistance, these people who are disabled in our country cannot afford housing. That is a fact.

The Joint Center for Housing Studies of Harvard University found in their report, ''The State of the Nation's Housing 2007,'' that in just 1 year, the number of severely cost-burdened households—those that pay more than half of their income toward rent—jumps by 2.1 million to a total of 17 million. This is one in seven U.S. households in the country affected.

The data goes on and on. This is a very important element of this matter: affordable, decent shelter.

Harry Truman, in a bipartisan effort, in the late 1940s—60 years ago—called upon Americans. John Sparkman of Alabama was ''Mr. Housing'' back in the 1950s and 1960s. This was never a partisan issue: decent, affordable shelter for Americans—all Americans.

We heard our colleagues today: Senator MARTINEZ talking about his family getting that first home when they arrived in this country. Senator BOXER grew up her entire life never owning their own home, and she was able to buy one as a young mother, and they stayed there for 40 years to raise their family.

Madam President, 17 million people in our country today deserve decent shelter. You should not have to strip every bit of income you have to try to afford it. So what JACK REED has put together here is decency—common decency. In our moment of difficulty, if we cannot do something to provide affordable shelter and to ask that funding flow come out of these government-sponsored enterprises, which have been so lucrative, for them to share in that wealth, to make it possible for working families in this country to have a decent place to live—I do not think that is too much to ask in this hour of need.

We heard our colleagues across the spectrum politically support this program, and having a vote of 19 to 2 in our committee, with Democrats and Republicans coming together at a moment such as this to say: We hear you. We care about what you are going through. We have designed a program not by increasing taxes but by asking existing institutions to share, to see to it all Americans can enjoy that affordable and decent shelter they deserve as Americans.

I ask my colleagues to reject that amendment as well.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Madam President, I regret that I, too, must oppose the amendment offered by the Senator from Missouri, amendment No. 4986. Senator BOND's amendment would specifically undermine the goal of protecting the American taxpayer from the costs of the HOPE Program.

I have often said—and I will repeat once again—that we should do whatever we can to help people stay in their homes short of sticking taxpayers with the tab.

The Banking Committee has worked long and hard for months on this issue and has found a way to accommodate a wide range of goals and concerns with this legislation.

The affordable housing fund and the funding mechanism—which is important here—for the HOPE Program are two of the most critical elements that allowed us to reach a bipartisan agreement. Eliminating either one of these now would simply unwind the entire bill, would destroy the whole bill, and neither I nor Senator DODD nor a lot of our colleagues on both sides of the aisle can support that.

Therefore, I urge my colleagues to join us in opposing the first Bond amendment.

AMENDMENT NO. 4985

Madam President, I would like to speak for a minute on the Bond amendment No. 4985, the second amendment.

While I am sympathetic to and share many of Senator BOND's concerns regarding FHA's longtime management problems and resource constraints, I cannot support this amendment.

The proposed HOPE for Homeowners Program establishes a new board to oversee the implementation of this program. Included on this board, in addition to HUD, are the FDIC, the Federal Reserve, and the Treasury Department. It is our intention that the expertise and experience of this board will compensate for FHA's longstanding management problems.

Additionally, the bill would provide—this is important—at no cost to the taxpayer, funding for additional resources, particularly in the form of increased staff, to manage and implement the proposed HOPE Program.

While I agree with Senator BOND that depending solely on existing FHA resources, the HOPE Program would be unworkable, I believe the increased resources and board oversight provided in this legislation sufficiently address those concerns.

I encourage my colleagues to oppose this second Bond amendment, too.

Mr. SANDERS addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from Vermont?

Mr. DODD. Madam President, I will address my colleague from Vermont through the Chair. As I understand it, we have heard from the Members who want to be heard on the amendments. Unless there is an objection, I know my colleague wants to take a few minutes to propose an amendment; is that correct?

Mr. SANDERS. Madam President, I want to set aside the pending amendment and send an amendment to the desk.

Mr. DODD. The only danger is, of course, we would have to get back on the matter before us to vote on the underlying amendments that we agreed, by unanimous consent, to do at or about 4:30.

Mr. SANDERS. I will be very brief. I do not need more than 2 or 3 minutes.

Mr. DODD. There is an objection being voiced.

Mr. SANDERS. Then I would like to talk about the amendment.

Mr. DODD. I say to my colleague, we will have a couple votes fairly quickly, and then I will be here to entertain my colleague's proposal.

Mr. SANDERS. At which time I will be able to offer the amendment?

Mr. DODD. Yes.

Mr. ISAKSON. Madam President, will my colleague from Connecticut yield?

Mr. DODD. I will be happy to yield to my colleague from Georgia.

Mr. ISAKSON. The amendment we discussed earlier when I made my remarks regarding the effective dates on the tax credit is here. I do not think there is an objection. At some point in time, can I be recognized to call it up?

Mr. DODD. Certainly. I will again make the same recommendation I have made to our colleague from Vermont. If the Senator from Georgia will wait a few minutes, we will be glad to take—in fact, I invite, as my colleague from Alabama does, any other amendments besides those we have heard about here that people want to raise. We are anxious to do business. We are going to have a couple votes, but obviously there may be some other thoughts people have on the subject matter. Certainly, I will be here to entertain that amendment.

Mr. ISAKSON. I thank the Senator.

Mr. DODD. Madam President, again, I do not know if other Members wish to be heard on the pending matters; that is, the two Bond amendments, which are the subject of the pending votes.

Does my colleague from Vermont wish to be heard on the pending amendments?

Mr. SANDERS. Yes. I wish to raise an issue. And it is my intention at the appropriate time to offer an amendment which I hope we can get a vote on because this is an amendment of huge consequence; that is, with the price of heating fuel soaring, if we do not significantly expand LIHEAP funding, there are going to be people who will go cold, people who will die this winter.

We have heard about a number of national emergencies out there. I am certainly sensitive to the crisis taking place in Iowa and as to the remnants of Hurricane Katrina in Louisiana. But I want Members of this body to understand that if we do not substantially

increase LIHEAP funding, there will be people in the northern tier of this country who will go cold this winter because they cannot afford to pay the outrageously high prices of home heating fuels that they are going to be asked to pay.

At the appropriate time, I will bring forth an amendment to increase funding by $2.53 billion for fiscal year 2008. Madam President, the Northeast Coalition of Governors has made that request and that is the number I am going to be bringing forth.

I wish to have printed in the RECORD the letter that was written by the Coalition of Northeastern Governors which is demanding that we have at least $5.1 billion—which is what, as I understand, the authorized level is—that that be, in fact, appropriated.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION OF
NORTHEASTERN GOVERNORS,
Washington, DC, June 18, 2008.

Hon. DAVID OBEY,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.
Hon. JERRY LEWIS
Ranking Member, Committee on Appropriations, House of Representatives, Washington, DC.
Hon. JAMES WALSH,
Ranking Member, Subcommittee on Labor, Health and Human Services, and Education, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN OBEY, RANKING MEMBER LEWIS AND RANKING MEMBER WALSH: As the Subcommittee begins consideration of the FY2009 Labor, Health and Human Services, and Education appropriations bill, the Coalition of Northeastern Governors (CONEG) urges you to support funding the Low-Income Home Energy Assistance Program (LIHEAP) at the $5.1 billion level authorized by the Energy Policy Act of 2005. We recognize the considerable fiscal challenges that face the Appropriations Committee this year and we deeply appreciate the Subcommittee's continued, strong support for the LIHEAP program. However, increased LIHEAP funds are urgently needed in the face of continually rising energy prices (particularly for delivered fuels) and the increasing number of households in arrears to energy utilities. Funding the LIHEAP block grant program at the $5.1 billion level, and providing it in a manner that will ensure additional funding to all states, will help restore some of the purchasing power of the program and enable states across the nation to provide meaningful assistance to citizens struggling to pay unaffordable home energy bills.

The low-income households targeted by the LIHEAP program are hit particularly hard by soaring energy prices, especially home energy prices. An increasing number of households are in arrears to energy utilities. For the households who depend upon delivered fuels such as heating oil and propane, the outlook is particularly troubling since they lack the benefit any utility assistance program. These households are concentrated in the Northeast, where almost 32 percent of LIHEAP recipient households rely upon delivered fuels, compared to 12 percent nationally or approximately 4 percent in many warm weather states. Even before the price of crude oil reached its recent record level, EIA estimated hat households heating primarily with home heating oil will pay approximately $2,000 to heat their homes this year. Without an adequate LIHEAP benefit that can meet the minimum livery requirement, these households face the prospect that a dealer will not make a delivery or will require a surcharge, further reducing the purchasing power of LIHEAP assistance.

The demand for this highly effective program continues to increase even as the purchasing power of the LIHEAP dollar plummets, and the average LIHEAP benefit decreases. If federal funding remains level or declines as home energy prices continue to rise, states face the difficult decision of serving fewer households or reducing the level of already stretched benefits. States in the Northeast have already incorporated various administrative cost-savings to deliver the maximum program dollars to households in need. In spite of these efforts to stretch federal and state LIHEAP funds, the need for the program is far too great.

Increased, predictable and timely federal funding is vital for LIHEAP to assist the nation's vulnerable, low-income households faced with exorbitant home energy bills. With an appropriation at the $5.1 billion authorized level, distributed to ensure that additional funding is provided to all states, the program can offer meaningful assistance to more households in need, lessen the need for emergency crisis relief, and make optimum use of leveraging and other cost-effective programs.

On behalf of all the CONEG Governors, we urge you to support funding for LIHEAP at the $5.1 billion level in the FY2009 Labor, Health and Human Services, and Education appropriations bill.

Regards,

JIM DOUGLAS,
Chair, Governor of Vermont.
DAVID A. PATERSON,
Vice-Chair, Governor of New York.
JOHN LYNCH,
Lead Governor for LIHEAP, Governor of New Hampshire.

Mr. SANDERS. So at the appropriate time, I will be down here to offer—I wish to check with my colleague from Connecticut. Is there going to be any problem with me getting a vote on this amendment?

Mr. DODD. Well, there could be. I can't say that is not going to be the case. But getting a vote, that is certainly a possibility. Let me talk with others and see what the intention would be.

Mr. SANDERS. OK. I think this vote is long overdue, and it is something the American people want to see.

Mr. DODD. Madam President, let me inquire, as I understand, the Senator from Missouri has 8 additional minutes remaining on the UC?

The PRESIDING OFFICER. That is correct.

The Senator from Alabama has 10 minutes remaining, and the Senator from Connecticut has 3 minutes remaining.

The Senator from Missouri is recognized.

Mr. BOND. Madam President, I ask unanimous consent to add the Senator from Wyoming, Senator BARRASSO, as a cosponsor of the amendment No. 4985.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Madam President, to begin, I think I should make some general comments about my concern and about my ability to work with the distinguished chairman of the committee on affordable housing programs. We have worked a long time on these programs together, and he and I, together, pushed for $180 million for counseling for families facing foreclosure. We have gotten that passed. I have been out and talked with the people who are victims, the people who are helping them, the local officials, and that is working.

Based on what I learned from talking to the people who are suffering from this foreclosure epidemic and from the real problems in the subprime market caused by predatory lending, which the Senator from Maryland, Ms. MIKULSKI, and I tried to get HUD to stop a few years ago, we came up with a solution. That solution I offered on the floor: the Security Against Foreclosure and Education Act, the SAFE Act, most of which was incorporated in the housing bill we passed in April. I believe those things went at this problem in the right way. We understand there is a problem.

What I am saying is I fear that taxing GSEs or taking money, expropriating money from GSEs and setting up this HOPE Now Program is a false hope because FHA can't manage it, and they are likely to have a tremendous impact, No. 1, potentially on the housing budget coming out of the taxpayers' pockets. We don't have enough money to pay for all the things we need to do for public and assisted housing.

The SAFE Act said reform FHASecure so it could work for somebody who had missed a payment or two, lower the GSE's capital requirement so they could lower this capital housing program; also, provide $10 billion of authorization for State housing finance agencies to raise additional funds to refinance these mortgages which are in default. That, I believe, is the best way to do it. That is why I am very much concerned that we are going down the wrong road, trying to put a burden on the FHA to do something they are not up to. I am afraid the HOPE Program is a false hope for 130,000 families who will enter the program and then default and face foreclosure.

The hope is the FHA will somehow be able to dispose properly of those 130,000 homes while they are trying to manage their portfolio. Experience shows that will not work. No matter what kind of board you set up, FHA cannot take on all those additional responsibilities. This program is far more likely to result in a huge bailout for lenders, while protecting a very limited number of homeowners.

The Congressional Budget Office—hear this: the Congressional Budget Office estimates that under this program, mortgage holders would have an incentive to direct their highest risk loans to the program. They estimate the cumulative default rate of the HOPE Program would be 35 percent—one out of three—worst of the worst loans and

FHA would get them. Where would they get them? From companies that have been a part of the problem.

According to the Wall Street Journal, Countrywide issued $167 billion—Countrywide Financial, $167 billion. They had 11 percent of the subprime market and now, according to the Wall Street Journal, they have $30 billion of it, either in their own foreclosures or for those they have offered a guarantee. So there is $30 billion of bad loans on which Countrywide is at risk, and this program could be used to refinance all those programs.

If a lender or a holder was facing foreclosure and knew he had to go to foreclosure, it calculates the cost of foreclosure and takes some of that off the value of the home and refinances that value and hands it off to FHA, and FHA gets stuck—gets stuck with it. The FHA has shown they cannot manage and implement the existing loan activities. You can read the lengthy IG reports, the GAO reports. Anybody who has looked at the FHA said they can't handle the job now. They have expanded from 2 percent to 6 percent of the market, and they can't even handle that additional level now.

The head of the FHA said this could be a tremendous burden on his agency and potentially on the taxpayers. If FHA is ultimately held at risk for these, they could be in a position where money that would otherwise go to support Section 8 vouchers or public housing operating or capital subsidies would have to be diverted to FHA to pay back the worst of the worst loans—according to CBO—the worst of the worst loans that would be pawned off on the FHA.

Nobody cares more than I about dealing with and providing as much help as possible to those people who are unfortunately facing foreclosure, perhaps because of lack of information or even misinformation that was given them about the loans into which they entered and the change in the market which caught them unaware, such as the situation I discussed earlier today of Mr. Willie Clay, the Vietnam veteran who found his mortgage rate readjusting 50 percent higher, which would throw him out of the house. He had an 8.2 percent rate and it was going to go up to over 12 percent. He needs help. These people need help. But bailing—let us bail out the people who are in trouble through the housing—State housing finance agencies or FHASecure; don't have FHA set up to take the fall with the worst of the worst loans from lenders, some of whom may have been ones who put us in the problem.

I urge the support of my two amendments and I yield the floor and reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Madam President, I know Senator SHELBY had some time remaining. I don't know if he intends to use it. He may not.

Mr. SHELBY. Madam President, what is the pending business?

The PRESIDING OFFICER. The Democratic side has 2 minutes remaining and the Republican side has 5 minutes remaining.

Mr. SHELBY. I yield 1 minute, at this point, to the Senator from Georgia, Mr. ISAKSON.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. ISAKSON. Madam President, I wish to use this minute to set aside the pending amendment and call up——

Mr. DODD. I would have to object. There is an objection being raised.

Mr. ISAKSON. Then, since I have had my say, I wish to defer my 1 minute to Senator CORKER without calling up an amendment.

Mr. SHELBY. Madam President, I will yield 2 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. CORKER. Madam President, I feel as though I have a very generous allotment, and I appreciate that. I wish to speak on the Isakson amendment.

JOHNNY ISAKSON, from Georgia, has tremendous experience in the area of housing, and I think he brought to this body a great proposal that is part of the bill we are now debating and that is the $8,000 first-time home buyer credit. One of the flaws in the bill today, as it sits, is the fact that this credit begins on April 1, so people who have already bought loans would be participating. I think the purpose of this amendment that he so wisely crafted and has brought forward was actually to stimulate new home buyer housing, not to reward people who have already taken action. So his amendment that I am supporting and cosponsoring would actually establish as the date of enactment the time that that 1-year time clock would begin. It only makes sense that the purpose of this provision in the bill, this compromise bill, is to stimulate home buying, not to reward people who have already done so.

I hope the manager of the amendment might accept this amendment. If not, I hope we will be able to call this amendment up in the very near future after this vote.

Mr. DODD. Madam President, I have 2 minutes or 3 minutes remaining, and I yield to my colleague, the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I come to speak against the proposal by Senator BOND which would significantly—in fact, catastrophically—undercut the affordable housing program we have included in this legislation, with the support of Chairman DODD and Ranking Member SHELBY.

This legislation is necessary. Even before we had a foreclosure crisis, hundreds of thousands of Americans—millions—did not have decent, affordable housing. So this is not something that is a temporary fix to the mortgage crisis; this is long-term solution aimed at addressing a long-term problem of not having enough affordable housing in this country. It is absolutely necessary.

The Bond amendment would essentially say: Well, yes, you can have a housing trust fund, but we are not going to fund it because the funding mechanism comes from Fannie Mae and Freddie Mac. Oh, by the way, you can create a home ownership protection program, but the first 3 years of affordable housing trust fund monies won't be available to help pay for it, which was how we dealt with the objection of Senator SHELBY and many others that we not use public funds to help with the foreclosure problem.

This is a way in which we can accommodate many objectives: helping people facing foreclosure without using public funds and in the long term creating a permanent, affordable housing trust fund. There is no place in this country—none of my colleagues have places—where the constituents are not coming up and saying we need help with affordable housing. The rent is going up. We can't afford it. We are on the street. Please help us. That problem will not expire when this foreclosure crisis is over.

Let me also say I think it is entirely appropriate that Fannie Mae and Freddie Mac participate. They were chartered originally as quasi public entities. They have—we have given them and we continue to give them—affordable housing responsibilities. That is part of their mission, part of their mandate. Some would say: Well, listen, if that is the case, let them decide what they want to do. We spent years creating this affordable housing program. One of the criticisms of this program was that if you gave Fannie and Freddie control of the money or required them to spend in a certain way, it would become politicized. They would pick winners and losers not based upon needs in certain parts of the country but based on political advantage. That was a criticism that was advanced most strenuously by my Republican colleagues. So we have created an affordable housing program, part of which is lodged at Treasury and part of which is lodged at HUD.

If the Bond amendment is adopted, we are giving up the last chance we have for an affordable housing trust fund in this country, the last major chance. I urge opposition.

Mr. SHELBY. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes.

Mr. SHELBY. I yield back the remainder of my time.

AMENDMENT NO. 4986, AS MODIFIED

The PRESIDING OFFICER. All time is yielded back.

Mr. DODD. 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 Bond amendment No. 4986, as modified.

The clerk will call the roll.

Mrs. MCCASKILL (when her name was called). Present.

Mr. DURBIN. I announce that the Senator from New York (Mrs. CLINTON), the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. MCCONNELL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. ALEXANDER), the Senator from Kansas (Mr. BROWNBACK), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. KYL), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS).

Further, if present and voting, the Senator from Tennessee (Mr. ALEXANDER) would have voted ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 11, nays 77, as follows:

[Rollcall Vote No. 152 Leg.]

YEAS—11

Barrasso	Coburn	Grassley
Bond	DeMint	Inhofe
Bunning	Ensign	Vitter
Burr	Enzi	

NAYS—77

Akaka	Durbin	Nelson (FL)
Allard	Feingold	Nelson (NE)
Baucus	Feinstein	Pryor
Bayh	Graham	Reed
Bennett	Gregg	Reid
Biden	Hagel	Rockefeller
Bingaman	Hatch	Salazar
Boxer	Hutchison	Sanders
Brown	Inouye	Schumer
Byrd	Isakson	Sessions
Cantwell	Johnson	Shelby
Cardin	Kerry	Smith
Carper	Klobuchar	Snowe
Casey	Kohl	Specter
Chambliss	Landrieu	Stabenow
Cochran	Lautenberg	Stevens
Coleman	Leahy	Sununu
Collins	Levin	Tester
Conrad	Lincoln	Thune
Corker	Lugar	Voinovich
Cornyn	Martinez	Warner
Craig	McConnell	Webb
Crapo	Menendez	Whitehouse
Dodd	Mikulski	Wicker
Dole	Murkowski	Wyden
Dorgan	Murray	

ANSWERED ''PRESENT''—1

McCaskill

NOT VOTING—11

Alexander	Harkin	McCain
Brownback	Kennedy	Obama
Clinton	Kyl	Roberts
Domenici	Lieberman	

The amendment (No. 4986), as modified, was rejected.

Mr. DODD. I move to reconsider the vote.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4985

The PRESIDING OFFICER. Under the previous order, there is 2 minutes each, evenly divided.

The Senator from Connecticut.

Mr. DODD. Madam President, let me briefly say to my colleagues that this is the second Bond amendment. This amendment would eliminate the HOPE for Homeowners Act, almost the centerpiece of this legislation. This is an idea that was recommended to us by a broad spectrum of people on the economic agenda here dealing with the issue of how we keep people in their homes. This idea has been endorsed by the American Enterprise Institute, the Consumer Federation of America, and many other groups and organizations that have suggested this idea could possibly keep as many as 400,000 to 500,000 people in their homes.

Every day in the month of May, 8,427 people filed for foreclosure. Every single day. Every day, over 8,000 people are filing for foreclosure in our country. Every day that goes on and we fail to take a step to do what we can to see that we can keep people in their homes and get our economy back on its feet, a day is lost and it endangers our economy even further.

The Bond amendment strips this bill, the HOPE for Homeowners Act, which we passed 19 to 2 out of the Banking Committee. We have had extensive hearings on it. It is a bipartisan proposal that we hope will make a difference in our country. What better step could we take this evening than to reject this amendment and endorse the idea that we are going to do everything we can to keep homeowners in their home?

I will make a point of order, Madam President, after Senator BOND has spoken.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, a couple of months ago, we passed a good bill to say we would authorize $10 million for State housing finance agencies to help refinance homes where the owners were facing foreclosure. A good approach. This is a disastrous approach. CBO has said that the lenders—the people, some of whom made some of the bad loans in the first place—will dump the worst of their worst loans on FHA.

Last week, FHA, floundering under existing portfolio losses, announced $4.6 billion in losses, 22 percent of their reserves, raising questions about their ability to maintain solvency. FHA can't do it. Thirty-five percent of the loans under the HOPE for Homeowners have been bad. The defaults would hurt the FHA. This provision would allow lenders such as Countrywide Financial, which had 11 percent of the subprime market, and according to the papers has $30 billion of the worst loans, to dump those on the FHA.

I urge support of the amendment.

Mr. DODD. Madam President, I raise a point of order that the pending amendment violates section 201 of S. Con. Res. 21, the concurrent resolution on the budget for fiscal year 2008. This is the pay-go point of order.

Mr. BOND. Madam President, I move to waive the applicable points of order of the Congressional Budget Act with respect to the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Budget Act in relation to the Bond amendment No. 4985. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New York (Mrs. CLINTON), the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. MCCONNELL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. ALEXANDER), the Senator from Kansas (Mr. BROWNBACK), the Senator from Arizona (Mr. KYL), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS).

Further, if present and voting, the Senator from Tennessee (Mr. ALEXANDER) would have voted ''no.''

The PRESIDING OFFICER (Mr. NELSON of Florida). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 21, nays 69, as follows:

[Rollcall Vote No. 153 Leg.]

YEAS—21

Allard	Craig	Inhofe
Barrasso	Crapo	McConnell
Bond	DeMint	Murkowski
Bunning	Ensign	Sessions
Burr	Enzi	Stevens
Coburn	Grassley	Thune
Cornyn	Hutchison	Vitter

NAYS—69

Akaka	Durbin	Murray
Baucus	Feingold	Nelson (FL)
Bayh	Feinstein	Nelson (NE)
Bennett	Graham	Pryor
Biden	Gregg	Reed
Bingaman	Hagel	Reid
Boxer	Hatch	Rockefeller
Brown	Inouye	Salazar
Byrd	Isakson	Sanders
Cantwell	Johnson	Schumer
Cardin	Kerry	Shelby
Carper	Klobuchar	Smith
Casey	Kohl	Snowe
Chambliss	Landrieu	Specter
Cochran	Lautenberg	Stabenow
Coleman	Leahy	Sununu
Collins	Levin	Tester
Conrad	Lincoln	Voinovich
Corker	Lugar	Warner
Dodd	Martinez	Webb
Dole	McCaskill	Whitehouse
Domenici	Menendez	Wicker
Dorgan	Mikulski	Wyden

NOT VOTING—10

Alexander	Kennedy	Obama
Brownback	Kyl	Roberts
Clinton	Lieberman	
Harkin	McCain	

The PRESIDING OFFICER. On this vote, the yeas are 21, the nays are 69.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, my good friend, the Senator from Iowa, Senator GRASSLEY, asked if he could speak for 2 or 3 minutes on an unrelated matter.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. I ask permission to speak for 3 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

IOWA FLOODS

Mr. GRASSLEY. I come to the floor today to give my colleagues an update on the devastating floods in Iowa, but you can also say a lot of the Midwest. The President is seeing the floods for the first time today. I appreciate Senator HARKIN being there with him.

Senator HARKIN and I are working closely together to make sure every base is covered in Iowa. We traveled throughout Iowa last weekend. We are meeting regularly to sort through everything that needs to happen. Today, we are covered, with him in Iowa with the President and me in the Senate to work for disaster recovery provisions in this very housing bill. The President has already named 55 of our 99 counties as Federal disaster areas.

More need to be named. I think he will see today the need to continue these declarations. During our tours through several communities last week, and hopefully again this weekend, we were pleased to see a great deal of coordination between FEMA, SBA, and our local officials. It sounded as though they were all talking with one voice, which is comforting to Iowans looking for guidance and support and, particularly, it looks a lot different than during Katrina, when it seemed like that was not particularly the case.

Today, many people are starting to get back in their homes and businesses. North of Iowa City, receding waters are bringing further heartache as residents salvage what they can and then throw away what was destroyed by the floodwaters. Those are the lucky ones. There are many who are determining whether they can salvage the house let alone what is inside.

Small communities downriver, such as Oakville and Columbus Junction, are completely submerged. Farms lost everything, including equipment, crops, livestock. The cities of Burlington and Keokuk are holding their breath to get through without devastation such as we have seen in Iowa City and Cedar Rapids.

Despite all this, Iowans continue to show their resiliency and heart. I was on C–SPAN's call-in program called ''Washington Journal'' earlier this week. People from all over the country called to say how proud they were of the way people in the Midwest, and particularly they were referring to Iowans, were pulling together and working to get through this disaster.

Of course, Senator HARKIN and I could not agree more. Volunteers continue to be at the forefront of our efforts. Local churches have made heroic efforts. The Salvation Army and Red Cross have been in Iowa since the beginning. I cannot say enough about the local officials, including law enforcement, fire departments, and the Iowa National Guard.

I would like to extend my thank-yous to all my colleagues who have come forth showing their support. I think I can speak for both Senator HARKIN and myself in saying we have had people in private coming up to us on the Senate floor. Having that happen is very gratifying.

Many of you have had similar events occurring in your own States and understand the pain we feel once again in Iowa. Our constituents are going to need the Federal Government's help. Senator HARKIN and I have been meeting often and have also put together a coalition of Midwest Senators whose States were also hit.

I thank all my colleagues for giving our constituents the help they need as we continue down this road.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, if I may, I yield 4 minutes to my colleague from Virginia.

Mr. WARNER. Mr. President, I do not tend to object. May I have 4 minutes following Senator WEBB?

Mr. DODD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

GI BILL

Mr. WEBB. Mr. President, I wish to speak actually in conjunction with the senior Senator. It is fine with me if he wants to follow me for 4 minutes. I wish to speak for a bit about the announcement from the White House today to the effect that the President has agreed he will not veto the GI bill we have worked on so hard for the last 17 months; that he is willing to accept this legislation.

I wish to say how grateful I am to all the veterans groups that over the last 17 months worked so hard to get the right bill. This bill will be reported back to us, I am told, in the exact form we sent it over, with the vote of 75 to 22 not long ago.

There was another provision Senator WARNER and I had worked on as a separate amendment regarding transferability that will be put in this bill in a slightly different form.

But there was some mischaracterization in terms of how the White House portrayed this transferability provision. I think it goes to the heart of some work Senator WARNER has done over many years, and I think it deserves to be clarified in this body.

The announcement by the White House was to the effect that this transferability provision would be a new provision. In fact, Senator WARNER and a number of Senators on our side of the aisle enacted this as law 6 years ago. We have heard from people on the other side, from the administration, from people in the Pentagon, that there was a priority 1 item out of the Pentagon.

But it has been in law, at the discretion of service Secretaries for 6 years. So we are willing to accept this provision as it comes over.

We are enormously grateful the President said he will not veto this bill because, quite frankly, it has been almost 7 years since 9/11. The operational tempo of the people who have been serving has gone up. They deserve a wartime GI bill. They are going to get it. I wish to express, again, my appreciation to all the members of this body—we had 58 sponsors, including 11 from the Republican party—and to all the veterans groups who helped make this possible.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to congratulate my colleague, Senator WEBB. He and I have known each other for a very long time. When I was Secretary of the Navy, he was a young captain, just back from Vietnam, serving on my staff.

When he came to the Senate, he indicated his top priority was to get a revision of the existing framework of laws governing the GI bill because he felt very strongly, based on his long and heroic service to this country in uniform that we owed this generation everything that previous generations had received by virtue of educational benefits.

I said several times on this floor, acknowledging with the greatest humility and thankfulness in my heart for two periods of military service I had of no great significance, but, nevertheless, enabled me to have a GI bill from a short service at the end of World War II and for service during the Korean war.

One GI bill got me a bachelor's degree, the second a law degree. I felt, just as Senator WEBB, this generation deserves no less than that. But his fortitude, his determination, his perseverance has led to this legislation. I wished to acknowledge that and the support we received in this body and the support we received from the various organizations, veterans organizations all across America.

I will cite some historic memorabilia on this subject. In May of 2001, I was the only Republican on the Armed Services Committee to join a number of other Democrats on the committee in cosponsoring the bill by Max Cleland of Georgia. Those of us who knew Max Cleland remembered that he came to the floor of the Senate, despite his serious wounds he had received and disability from that conflict, as the hardest fighting Senator for veterans and military people.

I was proud to join him. But nothing happened to that bill. It lost its way. So then, in 2002, as chairman of the committee, I went back and picked up on what this legislation had laid as the

foundation. In the fiscal year 2002 National Defense Act, subtitle E, section 654, is the historical precedent for transferability.

So I wish to thank the members of the Armed Services Committee who have worked this issue for many years. When it came time to have Senator WEBB's bill go in, we talked about transferability, but we recognized it was already law.

In the course of the deliberations on his bill, it seemed to me important that we update the 2002 law, which we did. I put in an amendment, amendment No. 4800, on May 20, 2008, which brought transferability in the old statute up to date.

Subsequently, we have not had any official cooperation of support from the Department of Defense, but unofficially there was some advice that came to us. We incorporated that advice, and that advice now reshaped my amendment on May 20. That, hopefully, will become the law of the land when that bill comes from the House to the Senate floor. I certainly urge all colleagues to join in that.

But again, I say to Senator WEBB, I salute him for his work on this legislation, his long and hard service to the country. This will stand as a hallmark for his initiative. I was pleased to join him along the way. I think all of us in this Chamber thank him for the leadership he has given.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I wish to add my voice to one of my dearest friends in this body, Senator JOHN WARNER, and to JIM WEBB, who did a great job of this. All of us are grateful for the tremendous work they have done. Needless to say, millions of veterans deeply appreciate their commitment to this. I am not surprised that these two Virginians will be leading the charge in this. I thank them.

Mr. WARNER. Mr. President, if I can add a word. When the Armed Services Committee passed, in 2002, the legislation initiating transferability, it was against the wishes of the Department of Defense. But, nevertheless, our committee, as it has many times, stood its ground and put it into law.

It was not utilized by the Department of Defense, except in one or two cases by the Department of the Army. The other military departments did not use it. So the concept of transferability has been around for a long time. It is not brand new as indicated by some interpretation of this press release from the White House today.

It has been around a long time, and it received no support from the Bush administration in 2002, when it went on the lawbooks. It was not utilized by the departments. So, today, they announced, from the White House, it is rather interesting, the sentence reads:

The President is pleased that Congress answered his call to ensure that military families soon will be able to transfer their unused education benefits to their spouse or children.

That has been the law of the land, in one form or another. That has been the effort of this Congress. That has been the effort of this Armed Services Committee, of which I am proud to be a member for many years, 6 or 7 total.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. I wish to give my thanks to our colleagues. Well done.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, we have a unanimous consent request that we are going to make when I get the paper.

I ask unanimous consent that the Bunning motion to refer now be in order with respect to the House message regarding H.R. 3221; that there be 30 minutes for debate with respect to the motion; that the time be equally divided and controlled in the usual form; that no amendments be in order to the motion; that the motion be subject to an affirmative 60-vote threshold; that it achieves that threshold, that it be agreed to and the motion to reconsider by laid on the table; that if it does not achieve that threshold, that it be withdrawn and there be no further motions to refer in order during the pendency of this House message.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky.

MOTION TO REFER

Mr. BUNNING. Mr. President, I send a motion to the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. BUNNING] moves to refer the message from the House on H.R. 3221 to the Committee on Banking, Housing, and Urban Affairs of the Senate with instructions to assess the potential financial benefits the legislation could provide to Countrywide Financial Corporation and other lenders, as well as mortgages originated by Countrywide Financial Corporation and other lenders that are held by third parties.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I make this motion to refer the House message on the housing bill to the Banking Committee so the Senate can have all the facts about who will benefit from this legislation before we go forward. As anyone who has looked at the 631 pages of the substitute text can tell, this is a very serious piece of legislation. Hundreds of billions of dollars are on the line under the various parts of this bill. One part of this bill alone is a $300 billion refinancing program for problem mortgages. That part of the bill will open the door of the FHA to borrowers who have defaulted on their mortgages. I question the wisdom of that program. But for the moment, I want to focus on who will benefit rather than the losses the taxpayers will face.

The supporters of this bill say borrowers will benefit and lenders must take a loss on the loan before it can be refinanced. But that is not the whole truth. Lenders are already facing losses on these loans, so moving a loan into the program puts an end to the bleeding, and the FHA assumes the risk of all future losses. What that means is the lenders and others who hold mortgages are going to dump their worst $300 billion of mortgages on the FHA, without requiring so much as a thank-you to the taxpayers. If we are going to give such a large gift to the big banks and the investment houses, we should at least know to whom we are sending it.

Some of the lenders who are blamed for creating this housing crisis stand to benefit the most. For example, I read in the morning Wall Street Journal that one lender, Countrywide Financial, could benefit to the tune of $25 billion. That is a large gift from Congress to a private company, especially one that has been identified by some as the leader of the mortgage madness and has written more than 10 percent of the total of the most risky loans.

Does that make sense to anybody? Does that make sense to my fellow Senators? I don't think so.

Some may question that $25 billion figure. The truth is, no one in this Senate knows what the real number is. That is my point. The American people deserve to know who is going to benefit from this bill before we pass it. That is why I make this motion to refer the bill to the Banking Committee so that the committee can assess which banks and lenders will benefit and by how much. I make this motion with the full knowledge that it is going to take 59 fellow Senators to realize that the 631 pages of this substitute have just appeared before us yesterday. I continue to press my motion.

I now yield to my good friend from South Carolina, Senator DEMINT.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I thank the Senator from Kentucky. I appreciate his willingness to offer this motion and bring some of our concerns to the attention of the Senate. I would like to make clear that it is not our intent to question the integrity of any Member of the Senate. But I believe every American has the right, given the situation surrounding this bill, to question the judgment of any Senator who votes for it at this time.

I know Senator SHELBY, the ranking member, has worked for years on part of this bill that is very important, and that we all support, GSE reform, getting a Federal regulator who can help keep some accountability in a system that has gotten out of control. I know if that was the only part of this bill that was being offered, he would be proud to support it. But we also know politics is the art of compromise, and we had to put a package together, I assume, that was needed in order to get the real reform through.

I think the package that came together is clearly problematic. A cloud

surrounds this bill. We have seen it in the media all over the country, questioning the amount of money we spend, who benefits from it, and the fact that we are potentially unloading hundreds of billions of dollars of bad loans on to the American taxpayers' shoulders.

I appreciate Senator SHELBY and his work, but I have to object to this bill. The purpose of referring it back to the committee is not to stop the bill indefinitely but to get a careful review of who benefits from this bill. I have received different reports since it began.

First, I heard that Countrywide, one of the lenders involved that has had so many allegations against it, could potentially get $2.5 billion. Then the Wall Street Journal says it is $25 billion. As we look at this, the bill is designed to essentially encourage a lot of these mortgage companies to unload their riskiest loans on to the taxpayer. We are told, because they have to accept some reduction in the value of that loan, that they are going to be discouraged from doing it. In fact, we know if you take the riskiest loans, the Congressional Budget Office has already told us that 35 percent of these loans will default again. In other words, we basically know that 35 percent of these loans are going to fall back on the shoulders of the American taxpayer because this bill includes a guarantee.

We also know some of the voluntary programs, such as the Hope Now Program facilitated by the administration, are working. They have prevented over 1.5 million foreclosures. We need to do things like that that would help avoid foreclosures, help people stay in their homes. But this bill has come together in such a way as to raise questions all over the country that we need to answer before we move ahead.

Again, I thank the Senator from Kentucky for his willingness to stand for this. I encourage those who even support the bill to accept that we need to say: Wait a minute; let's look at this again. Let's look at the concerns that are being expressed all over the country. Then, let's take up the bill again at the right time.

I thank the Senator from Kentucky and yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I reiterate the fact that since we have the 631-page substitute, we have had no CBO scoring on this bill. It would only make sense to me to refer it back to the Committee on Banking so that CBO can work their magic and come up with the numbers so we know who is benefiting and who is not benefiting from the many pages in this bill.

I ask for the yeas and nays and yield back the remainder of my time.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Alabama.

Mr. SHELBY. Mr. President, within the hour, the Senate rejected two amendments offered by the Senator from Missouri. The first one, which would basically gut this program, the vote was 77 to 11. The second Bond amendment was also rejected, 69 to 21. That indicates that there is a lot of bipartisan support for this bill on which we have worked for years in the Banking Committee. The current Presiding Officer knows these issues well. He represents the State of Florida and knows about housing. He knows about mortgages and, as an attorney at one time, I am sure he dealt in that area.

In this bill there is no special treatment, I say to my good friends—and I have a lot of respect for Senators BUNNING and DEMINT—no special treatment for any lender or homeowner. All lenders will have to take a significant loss, more than a little haircut, if they choose to participate. This is a voluntary program. All homeowners will have to share any equity gains. This is not a bailout, I assure my colleagues. The Presiding Officer knows I wouldn't support a bailout.

I voted against the stimulus bill that was here earlier in the year, as some of my colleagues did. But there are some good things in this bill, and I want to talk a few minutes about them. While the legislation would authorize FHA to provide up to $300 billion in loan guarantees under the new program over the 2009–2011 period, CBO, the Congressional Budget Office, estimates that FHA would use only $68 billion of that—that is a lot of money still—loan commitment authority through 2011 to implement the program. CBO estimates that enacting this legislation would increase direct spending by $729 million over the 2009–2018 period. That amount includes $684 million for the estimated subsidy cost of loan guarantees and $45 million in administrative costs.

Taxpayers will not bear these costs. Maybe that was the original proposal, but in the Banking Committee, we worked out a formula to let the GSEs, the affordable housing program, do this for 3 years because we didn't want the taxpayers doing this. Taxpayers will not bear these costs. During the 2009–2011 period, a portion of the GSEs' assessments would be used to pay the cost of this new program. These assessments would be used to reimburse the Treasury for the cost of the whole program up to an estimated $960 million total for those years.

Use of the new loan program is contingent upon the voluntary participation of both lenders and borrowers. As a result, demand for this program to refinance qualifying mortgages would depend on how many lenders and borrowers would perceive the new program as their best option in the marketplace.

It is important to note that mortgage lenders and borrowers will give up something in order to take advantage of this program. The current mortgage holder, whoever it is, must agree to a loan refinancing program that brings the loan-to-value ratio on the new FHA-insured loan to no greater than 90 percent of the property's current appraised value, not what it was at one time. In addition to forgiving a portion of the debt on the existing loan, the current mortgage holder will have to pay 3 percent of the original insured loan amount to FHA. The existing mortgage holder might also cover some portion of the origination fees for the new loan. In effect, the existing mortgage holder would take at least a 13-percent writedown—it might be 50 percent; we don't know—of the existing mortgage. That probably, in a lot of cases, would be better than foreclosure. What I am driving at is, we are not worried about the lenders. I am not. I am worried about the homeowners. I know the Presiding Officer is. The amount could be higher depending on the amount of the origination fee paid and the ability of the borrower to pay a mortgage. Thus, the current mortgage holder will receive no more than 87 percent of the property's current value, after the 3-percent premium is taken into account. I know this is complicated, but this is the way mortgages work.

Borrowers will have to agree to the equity-sharing provisions required under this program and determine whether forgoing some future profits on their homes is an acceptable arrangement. This is a voluntary program.

CBO, again, estimates that fewer than 40 percent of the 1.1 million—at this time—eligible loans would be refinanced under the new program. But if they are, it is going to help a lot of people who are deserving. Following a reduction in the principal amount of those loans to make them affordable, CBO further estimates that approximately 400,000 loans would be guaranteed under this legislation, with an average loan amount of $170,000. This 40-percent participation reflects the number of expected foreclosures, the impact of second liens, administrative challenges, and anticipated participation by mortgage holders and borrowers.

Many borrowers who would otherwise be eligible for this program will not participate because servicers will not be able to contact some borrowers, as we know. Even with the assistance of this program, some borrowers will not be able to avoid foreclosure because they have experienced a significant event, such as job loss, illness, divorce, or death. In other words, they would not qualify.

The average subsidy rate for those guarantees would be 1 percent. This estimated subsidy rate assumes that the cumulative claims rate—that is, the default—for the program would be about 35 percent and that recoveries on defaulted mortgages would be about 60 percent of the outstanding loan amount.

Mr. President, I want to say again, in this legislation there is no special treatment for any lender or homeowner. This is a voluntary program. All lenders—all lenders—will take a significant loss. There is no mention of any bank, mortgage broker, mortgage banker, or anybody else—Countrywide or anybody—in this bill. If there were, I would not support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I yield to the Senator from New York, Mr. SCHUMER.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I rise against this motion for several reasons.

First, on the specific issue, I do not think there has been a Member of this Chamber who has been more of a scourge against Countrywide than the senior Senator from New York. I do not like their practices. I do not like what they have done. I have criticized them publicly repeatedly. I have even asked Bank of America to make sure Countrywide employees—high-ups—are not hired when the company takes over. So I do not like Countrywide. I think many of us in this Chamber may not, given what we know they have done.

But I do not know of a single special interest provision, as my good friend from Alabama has stated, in this bill that applies to Countrywide. It is a general proposal supported by wide numbers of people on all sides—on the lending side, on the borrower side. Many of the groups that represent the poorest people in America support these provisions. So did my colleagues. Of the 10 Republican members of the Banking Committee, 8 supported this bill.

Furthermore, this bill is not one of those that are concocted in the dark of night and put on the floor 3 hours later. The provisions in the bill have been public for weeks. Not a single one of my colleagues has come up and is able to point to any special interest provision that names any specific lender, that benefits them differently than all the other lenders around.

If there is something we ought to do about Countrywide, we can hold hearings. If there is something we ought to do about the practices Countrywide and other lenders used, we should reform them. The chairman of this committee has been in the lead in trying to make those kinds of reforms. I know because a lot of the legislation he did we worked on together.

So there is no reason to believe—there is not a scintilla of evidence—there is a special interest provision here. We all know what is going on here. We ought to resist it on both sides of the aisle. I want to particularly salute my colleague from Alabama for standing up and saying that.

The second thing I want to say is this: This is beyond petty politics. We have a nation heading into recession. Thousands of people lose their homes every single day. Will the provisions of this bill—introduced by Senators DODD and SHELBY and supported by the Banking Committee, 19 to 2—will they save every one of them? Absolutely not. Will they save a good number of them? You bet.

Will they bring back devastated neighborhoods that have foreclosure signs on all the houses? And innocent homeowners who happen to have a house next to them, who paid their mortgages off 10 years ago and are suffering today because the value of their homes is going down, will this bill help them? You bet it will, with the CDBG provisions.

Will this bill enable Fannie and Freddie—which we are going to need in the next few years more than ever because they back or securitize or hold 80 percent of the new mortgages in this country; it is the only way to get the housing business back on its feet; and this bill wisely strengthens the regulation of Fannie and Freddie and strengthens their capital requirements but at the same time enables them to move forward at a time when we need them more than ever before—will this bill do that? You bet.

Should we be holding this bill up now when we desperately need it, when not a single provision—not a single provision—in this bill can be pointed to as narrow, special interest, or favoring any single institution or individual?

The argument is conclusive. It is not a close one. This is not one of those—by the way, one other reason. We finally have a bipartisan bill on something important. It does not happen very much these days, to the regret of most of us here, whether we be Republican or Democrat. We finally have one because of the hard work of the senior Senator from Connecticut and the senior Senator from Alabama.

Therefore, I urge that this motion be defeated and that we move on and pass this bill tonight so we can get to the business of fixing the housing crisis and, furthermore, trying to make sure the recession we have is as shallow as possible.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I would like permission to speak briefly in rebuttal for 2 minutes.

The PRESIDING OFFICER. The Senator has 5 minutes 22 seconds remaining.

Mr. BUNNING. Mr. President, I want everybody to see this bill—631 pages. This is the substitute bill out of the Banking Committee. This bill never came through the Banking Committee. This is a substitute bill. No one saw this bill until 5 p.m. last night—631 pages.

My good friend from New York has made many good points about the bill that we did discuss in the Banking Committee, and you know about it. But this is a brandnew substitute that has new provisions, and no one has had a chance to go through them.

I am saying that this bill ought to be sent back to the Banking Committee and examined to make sure all those wonderful things the Senator from New York has said are true. That is the reason for my motion to refer.

I yield all of my time back.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, I yield time to my colleague from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

There is 1 minute 40 seconds remaining.

Mr. REED. Mr. President, the CBO has scored the Banking portion of this bill so that not a penny of taxpayer dollars will be spent. This is not a bailout by taxpayers dollars. Second, the bill in no way benefits lenders. Lenders have to take a haircut, as Senator SHELBY pointed out very clearly. Also, this bill is really an amalgamation of provisions, many of which have passed the Senate before, that have been discussed extensively in the Banking Committee. That are the result of numerous hearings.

This is not the case where we have created something completely new, completely out of whole cloth. There might be changes, but I think it is quite easy for committee staffs and individual Members to deal with these changes and if there are objections, to make amendments.

This motion is to kill this bill. As Senator SCHUMER pointed out, what we are losing here is help for hundreds of thousands of homeowners—not financial institutions. What we are losing here is a stronger regulatory structure to govern Fannie and Freddie. I have sat on the committee for years listening to people say: We have to get regulatory reform, GSA reform. We cannot let these institutions—Fannie and Freddie—operate without strengthened oversight. That is precisely what this legislation does.

So this legislation is about helping homeowners, regulating Fannie and Freddie, and has nothing to do with bailing out companies.

Countrywide is mentioned in this motion to recommit. Countrywide was trading a year ago at $38.89. It closed today at $4.83. It is subject to an acquisition by Bank of America. The market has penalized Countrywide. Bank of America will acquire it. By the time this legislation is effective, Countrywide very well might not exist as an entity in the country.

The PRESIDING OFFICER. All time has expired.

Mr. DODD. 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. REID. 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, give me the time situation on this half-hour motion?

The PRESIDING OFFICER. All time has expired.

Mr. REID. Mr. President, I will use leader time.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. REID. Thank you very much, Mr. President.

Mr. President, this is an extremely important piece of legislation. There is not a place in America that has not felt the burden of the subprime lending crisis. It has spilled over into everything we do in America today.

In Nevada, where we have had a boom for 20 years, that boom is not there now. People were buying homes because we had such growth coming into the community. We have 5,000 to 10,000 people moving to Las Vegas even now. But this has hurt the entire economy of my State.

We have already passed 75 percent of this legislation overwhelmingly. This is a good piece of legislation. Twenty-five percent—an important part of this legislation—has been worked on for 2 months, at least, in great detail by two of the most experienced Senators we have—Senators who know how to deal with the House because they both served in the House, Senators who have been chairmen of committees in the past and now.

Senators BUNNING and DEMINT have a right to offer this—and that is why we are here—but I think they are headed in the wrong direction. I ask my colleagues to understand that everything in this bill is transparent. There is nothing that is not transparent in nature.

We have to also understand that, for example, one of the programs this motion attempts, perhaps, to suggest—and others would have to make a better determination than I—but suggest that the HOPE for Homeowners Program created in this bill through the bipartisan work of Senators DODD and SHELBY is a taxpayer-paid bailout to lenders. One of the people who have been involved in this provision of the bill for a long period of time has been the Secretary of the Treasury, who, by the way, is a breath of fresh air for the administration. I have great respect for Secretary Paulson. So there could be nothing further from the truth that this is a taxpayer-paid bailout.

First, according to the Congressional Budget Office, the HOPE for Homeowners Program will actually result in a net gain for taxpayers of a quarter of a billion dollars—$250 million.

Second, lenders aren't getting bailed out under this program; lenders must choose to participate. The program is voluntary. Secretary Paulson has talked to me personally about this. He likes it because it is voluntary.

Third, lenders who voluntarily participate in this program will have to take a loss. These lenders will have to agree to accept a new loan at a reduced principal amount to replace an existing loan they have made to a borrower. So if lenders participate, they will lose money, belying the notion that this program is a bailout.

Some of our friends in the Senate claim this motion is not intended to question the integrity of colleagues, and I hope they are right. Whether that is true or not, regrettably, the effect of this motion is to delay the Senate in providing relief to American families, a struggling housing market, and our economy.

As he knows, Senator BUNNING is somebody whom I admire greatly because the fact is, I wanted to be a baseball player, not a Senator. I have great respect and admiration for him. Every chance I get—and I think I get on his nerves a lot of times because I continually ask him about his ball games and who was his favorite catcher and all that kind of stuff. So the fact that I oppose this motion doesn't take away from my respect for the Senator from Kentucky, a member of the Baseball Hall of Fame.

I disagree with Senator DEMINT quite often, but I know his heart is in the right place. He is trying to do the right thing. I just think this motion should be overwhelmingly defeated. It would be good for this bill. It would be good for the country, and I believe it would be good for the Senate.

Mr. ISAKSON. Mr. President, is the distinguished majority leader finished?

Mr. REID. Yes, sir.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. ISAKSON. Mr. President, as a member of the Ethics Committee and in consideration for what may or may not happen, I am going to vote ''present'' so there will be no prejudice in any way, one way or another, in any decision that might have to later be made regarding the mortgage business and Countrywide in particular.

MOTION TO REFER

The PRESIDING OFFICER. The question is on agreeing to the motion to refer.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mrs. BOXER (when her name was called). Present.

Mr. CORNYN (when his name was called). Present.

Mr. ISAKSON (when his name was called). Present.

Mr. PRYOR (when his name was called). Present.

Mr. SALAZAR (when his name was called). Present.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from New York (Mrs. CLINTON), the Senator from North Dakota (Mr. CONRAD), the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Illinois (Mr. OBAMA), and the Senator from Virginia (Mr. WEBB) are necessarily absent.

Mr. MCCONNELL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. ALEXANDER), the Senator from Kansas (Mr. BROWNBACK), the Senator from New Hampshire (Mr. GREGG), the Senator from Arizona (Mr. KYL), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS).

Further, if present and voting, the Senator from Tennessee (Mr. ALEXANDER) would have voted ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 11, nays 70, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—11

Allard	Coburn	McConnell
Bond	DeMint	Thune
Bunning	Ensign	Vitter
Burr	Inhofe	

NAYS—70

Akaka	Enzi	Murray
Barrasso	Feingold	Nelson (FL)
Baucus	Feinstein	Nelson (NE)
Bayh	Graham	Reed
Bennett	Grassley	Reid
Biden	Hagel	Rockefeller
Bingaman	Hatch	Sanders
Brown	Hutchison	Schumer
Cantwell	Inouye	Sessions
Cardin	Johnson	Shelby
Carper	Kerry	Smith
Casey	Klobuchar	Snowe
Chambliss	Kohl	Specter
Cochran	Landrieu	Stabenow
Coleman	Lautenberg	Stevens
Collins	Leahy	Sununu
Corker	Levin	Tester
Craig	Lincoln	Voinovich
Crapo	Lugar	Warner
Dodd	Martinez	Whitehouse
Dole	McCaskill	Wicker
Domenici	Menendez	Wyden
Dorgan	Mikulski	
Durbin	Murkowski	

ANSWERED ''PRESENT''—5

Boxer	Isakson	Salazar
Cornyn	Pryor	

NOT VOTING—14

Alexander	Gregg	McCain
Brownback	Harkin	Obama
Byrd	Kennedy	Roberts
Clinton	Kyl	Webb
Conrad	Lieberman	

The PRESIDING OFFICER. On this vote, the yeas are 11, the nays are 70, 5 announced present. Under the previous order requiring 60 votes for the adoption of this motion, the motion is withdrawn.

Mr. REID. Mr. President, that is the last vote for tonight. In the morning, we don't have any votes lined up. We are going to see what, in fact, we can do. It appears at this time that it is going to be difficult to have votes tomorrow, even though the managers want to do that.

Everybody should be on notice that we will be in session tomorrow and on this bill. I frankly don't think there will be any votes because there are procedural hurdles we ran into this afternoon that will make it difficult to do more amendments.

Do the managers disagree with anything I have said?

Mr. DODD. Mr. President, I thank the leader. Senator SHELBY and I are prepared to be here even for a little longer this evening, for those who might want to talk on the bill, or they can tell us what they may want to offer. So we will be around.

Mr. REID. Mr. President, I also remind everybody that it is obvious we are going to have a lot of work to do next week. We are going to have to have a vote Tuesday morning. It has been longstanding that there will be no votes on Monday. There will be business conducted here on Monday, but we are going to have a vote on Tuesday before the caucuses, and maybe more than one vote before the caucuses.

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. MENENDEZ. 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. MENENDEZ. Mr. President, I have a parliamentary inquiry. Is time controlled by the manager of the bill at this point?

Mr. DODD. Mr. President, there is no time agreement, so it is a matter of recognition.

Mr. MENENDEZ. Mr. President, I rise to speak on the bill in general.

Let me first congratulate and recognize Chairman DODD for the incredible job he has done, along with the ranking member of the committee, Senator SHELBY, in bringing to the floor this much needed effort for so many Americans, as well as the country in general. So far, by the nature of the bipartisan votes we have seen, we are moving forward in the right direction.

The crisis in the housing market in this country continues to get worse. One in 11 American mortgages is past due or in foreclosure. That is a devastating number, and it is still rising—rising fast, as unemployment spikes and home prices fall.

American families are losing their most valuable assets, bedrocks in their lives, pillars that support their communities. And when those pillars fall, communities come crashing down. All in all, we have experienced the worst quarter for American homeowners in nearly three decades, and it only stands to get worse.

In my home State of New Jersey, over the next 2 years we expect more than 57,000 homes to be lost to foreclosure. That means 57,000 families who will have to hand over the keys to their homes. Families will be forced to say goodbye to the place where they are nurtured and comforted, the place where they live through the good and the bad, the place they come home to every night. In the words of families who know what it feels like to lose their home, they feel like they have lost everything.

Nationwide, the number of foreclosures that is going to happen if we don't act is unfathomable. With almost 8,500 foreclosure filings each day—and additional resets coming in July—what I said a year ago this past March, that we were going to have a tsunami of foreclosures—though some in the administration said that was an overexaggeration—well, we have not even seen the crest of that tsunami. Unfortunately, that storm is only going to get worse. So we have come together to take a stand for homeowners; not just for those facing foreclosure, but for their neighbors on their streets, their entire communities, and for generations of home buyers in the future. Today, Senators on both sides of the aisle have come together to support legislation to help suffering homeowners and to set the housing market back on an even keel.

This Chamber has come to understand this crisis is truly a threat to all of us, to all our communities. Whether you live in the North, the South, the East, or the West, whether it is a city in Ohio watching crime rates go up after a string of foreclosures, an entire county in Florida experiencing an economic drought after its residents move away, or a single family in New Jersey in danger of being forced out onto the street, everyone stands to lose from those foreclosures.

Lenders report losing tens of thousands of dollars on each foreclosure, and neighbors see the value of their homes dropping pretty dramatically. When we see that 49,000 Americans lost their jobs a month ago, when we see weak earnings reports from businesses, wild swings in the stock market, and the collapse of a major firm on Wall Street, we can see this housing crisis is truly shaking the entire economy to its core.

I am hopeful that this coming week finally there will be a glimmer of hope for homeowners who have been left to fight the battle alone. It is clear that Members on both sides of the aisle know it is time to act, and it is clear what our goal has to be: Helping families keep their homes.

This Housing and Economic Recovery Act we have before us takes some important steps to that end. It strengthens and modernizes the regulation of the housing government-sponsored enterprises—Fannie Mae, Freddie Mac, and the Federal Home Loan Banks. It modernizes the Federal Housing Administration and creates the HOPE for Homeowners program, which will prevent over 400,000 foreclosures.

The bill also contains language that I championed to improve financial education and housing counseling. I believe this is an important step forward for improving financial education and arming homeowners with the tools to protect themselves.

Because of Senator JACK REED, this bill includes an affordable housing fund to create affordable housing for millions of American families.

The bill also contains a new tax deduction for property taxes, relief that could be provided to many across the country but nearly half a million people in my home State of New Jersey. The bottom line is this bill takes real steps to help American homeowners, and these steps are much needed.

Having said that, as always, no legislation is perfect. I do have some concerns. I certainly believe the establishment of a strong regulator for government-sponsored enterprises is long overdue, and there is no better time than now. But I have some significant concerns relative to the effective date of the bill. Currently it does not provide for an orderly transition period. GSE regulatory reform would combine the regulatory powers and staff of three separate executive branch agencies to create a new GSE supervisor with far-reaching powers over our Nation's housing finance system. I believe we cannot make these changes at the flip of a switch. We need time to get the transition right.

The House-passed GSE bill would do this by establishing a uniform effective date of 6 months after enactment of this legislation. I think that is a transition period that would ensure an orderly transition to a new GSE regulatory regime.

The bill also includes a separate provision that would limit the ability of the GSE to create liquid markets for high-cost areas, as well as for other typical portfolio products, such as multifamily lending and refinancing families out of subprime loans they cannot afford, by creating an arbitrary bias toward securitization in the portfolio language of the bill.

As we move forward, I urge the Senate to think more broadly about the importance of the GSEs and the role they play in times of crisis and generally in the days ahead.

I would also like to have seen a higher GSE and FHA loan limit included in the final bill. In March, when the Banking Committee held its first hearing to address the subprime crisis, I spoke about the need to raise the FHA loan limit in order to give borrowers more options. Right now, in New Jersey, 12 of the 21 counties are at the FHA and GSE ceiling. Under this bill today, those 12 counties would have their ceiling lowered, and almost all the other counties in New Jersey would see some reduction as well. By lowering the number, I think we are restricting our economic recovery and our ability to provide individuals with better, more affordable options.

While I believe those are concerns, let me reiterate that none of these provisions causes me to question my support for this bill. Chairman DODD has said numerous times that had he written this bill on his own, without the necessity of the negotiation the Senate is well known for, he would have drafted it differently himself. I certainly commend him for his efforts, as I understand the art of the possible, and I hope we can address some of these concerns as we move forward.

At the end of the day, this bill will help struggling homeowners and will have positive ripple effects on the rest of our country. Having a foreclosed home sit abandoned in a community doesn't benefit anyone. It decreases surrounding home values and it can attract crime and vandalism. The bottom line is that foreclosure destabilizes neighborhoods. The funds in this bill allow communities to stop that spiral before it starts.

I am also proud to have supported a provision in this bill to provide funding for counseling in order to reach and help families at risk of losing their homes. Many Americans are sitting around their kitchen tables looking through their mortgage bills, their finances, and their bank notices, and they simply don't know where to turn. These counselors could offer them real solutions and options to help them avoid receiving the foreclosure notice. The bill puts forward $150 million to make sure counseling reaches those who need it the most.

Some argue that stepping in to help our communities recover from the housing crisis would somehow be a blow to the concept of personal responsibility, because some homeowners made bad choices in signing up for a subprime mortgage. Don't get me wrong, personal responsibility is important, and that is why we need greater support for homeowner education, and for foreclosure counseling and financial literacy, so that anyone thinking about buying a home will be able to understand the terms of their mortgage, even the fine print, and have the tools to protect themselves. But personal responsibility isn't just important for homeowners. As I said at the start of this crisis, every participant in the life of a loan needs to step up and take real responsibility and action. Blaming the homeowner alone is not right, it is not fair, and it is economically disastrous. Every broker, lender, realtor, appraiser, regulator, credit rating agency, and investing firm had a role in this storm, and I will not let the blame fall to only the homeowners.

As we in this Congress are debating how best to help homeowners, how best to end the housing crisis, and how best to get our economy back on track, we have to see the bigger picture. There is a lot at stake, no matter who we are, whether we have a subprime mortgage or not. When the house next to ours gets boarded up, it affects the value of our property, too, and how safe we feel walking around our neighborhood at night. When a neighbor of ours has to declare bankruptcy and is forever saddled with debt they cannot pay, they shop less at stores and purchase fewer of the services our community offers, and that hurts our community's bottom line.

Martin Luther King, Jr., reminded us that ''we are all tied into a single garment of destiny,'' that ''we cannot walk alone.'' This is a crisis we are all in together. There is no reason why we can't all work together to end it. That is why I am proud of the effort of Chairman DODD and Ranking Member SHELBY, and I am proud to support this bill. I hope next week we will pass it, move it on to the House, and get some real relief not only for American families, and not only to preserve the concept of home, but also to be able to deal with the very core of what is the economic challenge presently before the Nation and what will be our challenge if we do not act in the days ahead.

Mr. President, I yield the floor, and 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. DODD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANDERS). Without objection, it is so ordered.

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

WEST VIRGINIA DAY, 2008

Mr. BYRD. Mr. President, certain dates on the calendar carry special meaning. These are great and glorious days that are given to devoted reverence and are a cause for recognition and adoration. Thanksgiving, the Fourth of July, and New Year's Eve are a few dates that come immediately to mind. Another one that comes to mind is June 20—the day we celebrate as West Virginia Day.

Friday will be June 20. All over the world, it will be June 20, which means that all over the world, it will be West Virginia Day. And what a great and glorious day it will be.

It was on June 20, 1863, that West Virginia became the 35th State of the Union. The State proudly adopted as its motto the phrase, ''Montani semper liberi,'' which means, ''Mountaineers are always free.''

This was a most appropriate motto for a State born in the middle of the greatest struggle for freedom and liberty in American history—the Civil War. And West Virginians have always strived to live up to our State motto.

West Virginia workers were in the forefront of the historic labor struggles in the late 19th and early 20th centuries that sought an end to the exploitation and oppression of American workers that had accompanied the Industrial Revolution. In 1877, the Nation's first general strike began among the railroad workers and citizens of Martinsburg, WV, after the railroad tycoons repeatedly lowered wages.

Seeking to end the industrial autocracy that had engulfed the State with the opening of the coal fields in the 1880s, West Virginia coal miners engaged in a series of conflicts now recognized as the West Virginia Mine Wars, including the Paint Creek-Cabin Creek Strike, the Battle of Matewan, and the Miners' March on Logan. These struggles, writes coal-field historian David Corbin, must be viewed in the same perspective as Americans see Lexington and Gettysburg, not just as isolated incidents in the tragic spilling of blood but ''as symbolic moment[s] in a larger, broader and continuing historical struggle . . . the struggle for freedom and liberty.''

In his book, ''The West Virginia Mine Wars: An Anthology'', Corbin compared the West Virginia miners' struggle for unionization to the civil rights movement of the 1960s. ''Both movements,'' he writes, ''are stories of oppressed, exploited people fighting for dignity, self-respect, human rights and freedom.''

This analogy to the civil rights movement is a good one because West Virginia has also played an important role in the quest of African Americans for liberty and equality. For one thing, West Virginia has been the site of some of the important events in African-American history. Prior to the Civil War, John Brown's Raid on Harpers Ferry prefigured West Virginia's breakaway from the slaveholding Confederacy into full statehood. Harpers Ferry later served as the setting for the second meeting of the Niagara Movement, a meeting that led to the formation of the NAACP.

Individual West Virginians have played important roles in this historic struggle. Author and abolitionist Martin Delany, with Frederick Douglass, edited the North Star newspaper, the leading abolitionist newspaper in the country. J.R.Clifford, along with his colleague, W.E.B. DuBois, was one of the founders of the Niagara Movement in 1905. Rev. Leon Sullivan was a civil rights activist who wrote the Sullivan Principles, a code of conduct for U.S. businesses operating in South Africa under apartheid.

Carter G. Woodson, Booker T. Washington, and John Warren Davis were all famous African-American educators who occupy important places in American history and culture and played important roles in furthering the development of our free society.

Furthermore, West Virginians have played an important role in the American movement toward religious freedom. The most noticeable example of this effort came in the historic 1960 Democratic Party Presidential primary—the political contest that paved the way for America's first Catholic President. In 1960, West Virginia was an overwhelmingly Protestant State, and religion became the ''burning issue'' of the contest because, if Senator John F. Kennedy, who was Catholic, defeated his only opponent, Senator Hubert Humphrey, who was a

Protestant, it would show that religion was no longer a defeating handicap in a Presidential contest. Kennedy won that primary by a substantial margin, and, as a result, as Kennedy stated the day after winning the primary, the religious issue was ''buried . . . in the soil of West Virginia.''

Mr. President, I am proud of my State. I love its beauty, its culture, and its history. Foremost, I have always appreciated its kind, good, and generous people and the way they have retained what I call the ''old values''—faith in God, love of country, family, honesty, decency, and integrity. And a leading value of the people of West Virginia, as I have tried to show, has been our motto, ''Mountaineers are always free.''

Happy birthday West Virginia.

May God always bless you, and keep you free.

FLOODING IN ILLINOIS

Mr. DURBIN. Mr. President, President Bush is in Iowa today to see firsthand some of the devastation that more than a week of severe flooding has inflicted on that State.

It is the President's first visit to the Midwest since the floods began more than a week ago.

Midwesterners appreciate the President's visit to our region. These floods are happening in our States, but they are a national disaster.

The President's visit to Iowa today gives us some reassurance that the Federal Government will help our region through this crisis.

As the President visits Iowa today, I hope he looks across the river to my State of Illinois.

Floods don't stop at State lines.

The floodwaters are receding now in Iowa; they are rising in Illinois. Levees are breaking and farmland and towns along our side of the Mississippi are being swallowed up by the river now.

The damage in Iowa has been staggering and heartbreaking , and we pray for our neighbors' safety and well-being.

But the entire Midwest is reeling from weeks of flooding and tornadoes—from Minnesota to Kansas and everywhere in between; Wisconsin, Iowa, Missouri, and, of course, Illinois.

We know from the great flood that devastated the Midwest in 1993 and, more recently, from Hurricane Katrina, that the losses from this chain of weather-related disasters will be more than our States and citizens alone can shoulder.

We also know that, in times of crisis, Americans have always come together to help those in need. We are counting on that American tradition of cooperation now.

My colleagues and I whose States have borne the brunt of these floods appreciate greatly the support and offers of cooperation we have received from Senator LANDRIEU and others whose States have also suffered major natural disasters.

I hope that President Bush and others are equally committed to rebuilding the Midwest, not just through disaster relief but by strengthening levees, rebuilding houses, providing loans to small businesses, or helping farmers who have lost an entire season of crops.

As we speak, the floodwaters are still rising—in Iowa in Missouri, and in my State of Illinois—breaking levees, leaving people without running water, and leaving whole towns submerged.

Yesterday, two more levees broke on the Illinois-Iowa border near Quincy, flooding thousands of acres of farmland and forcing people to leave their homes. That brings the total number of broken levees in Illinois to nine as a result of the flooding.

In Galesburg, residents are on boil order and are in danger of losing their access to running water.

In Lawrenceville, where the floodwaters from earlier storms are finally receding, over 10,000 people have been without running water for more than a week. We will not forget our neighbors on the east side of the State, where it all began earlier this month.

Over 500 homes have been affected in Machesney Park, a small community in Winnebago County without a public works department and without trucks or any other equipment to help with the clean-up efforts.

My heart goes out to everyone affected by the floods, especially those who have watched their homes and livelihoods disappear under muddy waters.

But as the waters keep rising, the people of Illinois continue to humble and inspire me.

Illinoisans continue to work day and night to prepare for the worst. In cities and towns all along the Mississippi, people have spent the last week filling sandbags and fortifying levees. This is difficult work, often backbreaking, but as hard as it's been on the body, it hasn't broken people's spirits.

Day after day they have shown up—residents, volunteers, emergency workers, members of the Illinois National Guard. It is not easy to stand your ground in the face of a force as powerful as the Mississippi, but these folks have done just that. Their resolve and determination show an amazing spirit at work. It is something Senator OBAMA and I had a chance to see for ourselves when we were in Quincy and Grafton last week. It is a sight to behold.

I also commend FEMA and the Army Corps of Engineers. They are doing what needs to be done to help these communities prepare for the worst. A number of State of Illinois departments and agencies are working 24/7 to ensure communities have the resources to fight the flood waters. This is truly a team effort.

Right now we are in a race against time and nature. The worst is still to come.

The river is still swelling and is projected to crest for many of the communities farther south in the coming days.

When the floodwaters recede, we will need to roll up our sleeves and begin the long, hard process of rebuilding.

Senator OBAMA and I will be working with the Illinois congressional delegation and our Senate colleagues to ensure that the people in the Midwest will not face this formidable task of rebuilding alone.

My thoughts and prayers are with everyone on the ground.

TRIBUTE TO CLARENCE L. MILLER

Mr. MCCONNELL. Mr. President, I rise today to honor a well-respected Kentuckian, Mr. Clarence L. Miller. Throughout his life, Mr. Miller has contributed immensely to our Commonwealth and Nation.

Recently the Sentinel-News in Shelbyville, Kentucky, published a story about Mr. Miller. The story summarizes the extraordinary life he led, while paying tribute to him as a remarkable Kentuckian. Throughout his career as a public servant, Mr. Miller has worked hard to give back to the State and Nation that he loves so dearly.

I ask my colleagues to join me in honoring Clarence L. Miller as a true patriot and Kentuckian whose legacy will forever be remembered, and I further ask unanimous consent that the full article be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Sentinel-News, April 30, 2008]

CLARENCE L. MILLER: FARMER, ADMINISTRATOR, DIPLOMAT, RACONTEUR

(By BG Ron Van Stockum)

I called on Clarence Miller recently to add my appreciation to that of his many other friends for his generosity in donating his farm to Shelbyville. In our informal conversation it became apparent that his story needed to be recorded and reported.

Accordingly, a few days later, my son Reggie invited him to Allen Dale where he taped as oral history an extended audio/visual interview. My column today will constitute an abbreviated story of Clarence Miller's life, providing information additional to that contained in Gayle Deaton's excellent article in an issue of last year's Sentinel-News.

Clarence Miller was born in Louisville in 1912. His father, Pleasant Green Miller, always called ''P. Green'' (1871–1968), born in Estill County, was employed as a federal whisky inspector or ''whiskey gauger.'' His responsibilities, within the Department of the Treasury, included the recording of whiskey production and assuring that the distillers paid the proper federal tax on alcohol. With the onset of World War I, distillation was dramatically curtailed in order to preserve grain. His job disestablished, he took his family to Florida where he set out a citrus grove.

EIGHTEENTH AMENDMENT: PROHIBITION (1920–33)

Before the production of whisky could be fully restored, National Prohibition was established by means of the Eighteenth Amendment, with Kentucky being the third state to ratify it. Ratification was certified on 29 January 1919 and on 28 October the Volstead Act was passed, defining ''intoxicating

beverage'' as one containing greater than one-half of one percent alcohol. This act went into effect on 29 January 1920, along with the Eighteenth Amendment. President Hoover called Prohibition a ''noble experiment,'' but others used stronger words. Clarence described the effect of Prohibition on the distilleries as ''confiscatory.'' They held millions of gallons of whiskey in storage, but, except for a controlled trickle for ''medicinal'' purposes, were not allowed to sell it.

Even moderate imbibers needed to adjust. While I do not recall alcohol being served by my parents in Seattle, Washington, I do remember my mother sending me out on the lawn to pick dandelions for wine. The process she used is unknown, but it is possible today to learn all that is necessary by ''googling'' ''dandelion wine.''

P. Green Miller and many other federal agents, were called back to the Treasury Department to enforce the new law. In view of its unpopularity, affecting so many special interests and tastes, this was a formidable task. In 1923, he became Division Chief for Enforcement of Prohibition for the states of Kentucky and Tennessee, with offices in Louisville and Memphis. Later, he spent a good deal of time on the east coast, in New York, Baltimore and Boston, trying to eliminate, or at least minimize, the illegal smuggling by high-speed cutters, called ''rum runners,'' which picked up whisky from vessels lying beyond the territorial limits. He also was involved in the attempt to break up the illegal activities of the most powerful and infamous of all bootleggers, Al Capone, who operated out of Chicago.

REPEAL OF PROHIBITION—TWENTY-FIRST AMENDMENT (1933)

On 23 March 1933, President Franklin D. Roosevelt, after signing into law an amendment to the Volstead Act, allowing the manufacture and sale of ''3.2 beer'' and light wines, is reported to have remarked ''Now let's all have a beer.'' The Eighteenth Amendment, itself, was repealed later with ratification of the Twenty-first amendment on 5 December 1933. P. Green Miller returned to farming.

YOUNG CLARENCE L. MILLER

Meanwhile, on 1 January 1925, when Clarence was 12 years old, the Miller family purchased Red Orchard Farm and established residence there, although Clarence's father was still spending most of his time elsewhere discharging his enforcement responsibilities. The farm, originally 119 acres, now constitutes 130 acres. Clarence helped his mother with the farm, entering Shelbyville High School where he graduated with the class of 1932. A schoolmate of his was Ben McMakin, the subject of one of last year's columns, who died as a Marine prisoner of war in 1945. ''Ben was president of our class one year, and I the next.'' He then spent two years at University of Kentucky with the intent of studying law, but instead returned to Shelbyville.

MOVING UP IN AGRICULTURE

Here, he was employed with the Agriculture Adjustment Administration (AAA), later called the Commodity Stabilization Service (CSS). He started literally from the ground up, measuring tobacco plantings to assure compliance with the regulations. In 1947 he married his high school sweetheart, Katherine Barrickman, always called ''Toddy.'' The daughter of a prominent Shelbyville lawyer and County Attorney, she was an accomplished competitive golfer, being local women's champion for 13 straight years. In 1953 Clarence became chairman of the state CSS and a year later went to Washington DC as national Director of the Tobacco Division of the same agency. In 1956, he became Associate Administrator of the national CSS. In 1959 and 1960, the final two years of the Eisenhower administration, he served as Assistant Secretary of Agriculture for Marketing and Foreign Agriculture, working directly under Secretary Ezra Taft Benson, Agricultural Attaché in Madrid.

From 1961 to 1969 he was back in Shelbyville, operating his farm and occupying a position in public relations with the Kentucky Farm Bureau. In 1970 he was appointed under the Nixon administration as Agricultural Attaché in Spain, serving until 1976, initially under his good friend, Ambassador Robert C. Hill. It was during this period that several of his friends from Shelbyville were his guests at the Embassy in Madrid. I remember my fellow tennis player, the late Guy Lea, one of his guests, remarking about Clarence's hospitality when he and his wife visited Spain.

WORLD TRAVELER

Despite undergoing double artery by-pass surgery and replacement of the aortic valve in 1998, the following year he took a trip to Singapore. There are few countries he has not visited. He has traveled around the world, rounded both Africa and South America by ship, and visited Greenland and Antarctica. Nevertheless, he has never lost touch with his home town and his lifetime of public service to his community and to his country has culminated in the most altruistic act of all: the gift to his home town of Red Orchard Farm.

Note: It is encouraging to report that Clarence Miller continues to be hale and hearty, strong of voice, forceful in expression and vitally concerned about public affairs. He looks back upon his long life with a feeling of accomplishment: ''It has been my good fortune to have been in the right place at the right time with the right credentials.''

CAPTURE ARREST AND TRANSPORT CHARGED FUGITIVES ACT OF 2008

Mr. DURBIN. Mr. President, I rise today to discuss legislation I recently introduced called the Capture Arrest and Transport Charged—CATCH—Fugitives Act of 2008. I am pleased that Senator DOLE has joined me as a cosponsor of this bill.

The CATCH Fugitives Act addresses three important problems that undercut State and local efforts to catch fugitives. First, State and local law enforcement authorities have insufficient resources for identifying and arresting fugitives. Second, even when fugitives are arrested, they may not be prosecuted because of the high cost of extradition. Third, when fugitives flee across State lines, they frequently escape detection because law enforcement officers lack complete information about warrants issued in other States. Fewer than half of all outstanding felony warrants have been entered into the nationwide database that alerts other law enforcement officials that a person is wanted.

The act addresses these three problems by providing assistance to State and local law enforcement agencies through the U.S. Marshals Service to help them identify fugitives and transport them from one State to another for prosecution. It also creates grant programs that will encourage States to share information about warrants with each other and help them pay for the cost of additional extraditions.

This legislation is supported by Illinois Attorney General Lisa Madigan, Cook County State's Attorney Richard A. Devine, Cook County Sheriff Thomas Dart, City of Chicago Police Superintendent Jody P. Weis, Peoria State's Attorney Kevin Lyons, the Illinois Association of Chiefs of Police, and the Illinois Sheriffs' Association.

Nationwide, there are an estimated 2.8 million to 3.2 million outstanding warrants for the arrest of persons charged with felony crimes, and the number is growing. Fugitives often commit additional crimes while they are at-large. However, searching for and apprehending them is costly. Increasing the resources available for conducting fugitive investigations would increase the number of fugitives who are arrested, brought to trial for previous crimes, and prevented from committing new crimes.

The Marshals Service plays an integral role in the apprehension of fugitives and has a long history of providing assistance and expertise to other law enforcement agencies in support of fugitive investigations. Pursuant to the Presidential Threat Protection Act of 2000, the Marshals Service created its Regional Fugitive Task Force program. The task forces combine the efforts and resources of Federal, State, and local law enforcement agencies as they work to locate and apprehend fugitives. Between 2002 and 2006, the Marshals Service established task forces in six regions of the country. Since their inception, these six task forces have arrested approximately 90,000 Federal and State felony fugitives, contributing to a significant increase in the number of fugitive arrests in those regions. The Marshals Service has developed a plan to establish 12 additional task forces—enough to serve the rest of the country—but since 2006 it has not received the resources needed to implement this plan.

The CATCH Fugitives act increases the authorization for the Regional Fugitive Task Force program from $10 million under current law to $50 million for each of fiscal years 2009–2012 and $25 million for each of fiscal years 2013–2015, in order to fully fund the existing task forces and add new ones that serve the remaining parts of the country.

In addition to strengthening fugitive-hunting capacity in general, the act also tackles the problem of capturing out-of-State fugitives and extraditing them for prosecution. Since 1967, the Federal Bureau of Investigation has operated the National Crime Information Center, NCIC, which administers a database containing criminal history information from the Federal Government and the States, including outstanding arrest warrants. The NCIC database is designed to allow a law enforcement officer who stops a person in one State to be made aware of any outstanding warrants for that person

issued in another State. The database contains approximately 1.3 million felony and misdemeanor warrants, but it is missing more than half of the Nation's 2.8 million to 3.2 million felony warrants, including hundreds of thousands of warrants for the arrest of the people accused of committing violent crimes.

A State's failure to enter all of its warrants into the NCIC database enables fugitives to escape arrest even when they are stopped by an officer in another State. Many such fugitives go on to commit additional crimes. In addition, they pose a danger to the officers who encounter them but have no knowledge of their pending charges and record of fleeing law enforcement authorities.

Let me give an example from an investigative series of articles that appeared in the St. Louis Post-Dispatch earlier this year. On March 21, 2001, Eloy Williams was charged with the rape of a college student in Florida. Florida authorities issued a warrant for his arrest but did not enter it into the NCIC database. On July 16, 2001, Williams skipped a hearing in Florida on a cocaine trafficking charge. Florida authorities issued a warrant for his arrest for failure to appear on that charge but again did not enter the warrant into the NCIC database. On April 11, 2002, Williams was stopped by a police officer in Decatur, GA. The officer found no record of the Florida warrants in the NCIC system and Williams was released the next day. On July 25, 2002, Williams was arrested in Decatur for speeding. Again, the police officer found no record of his Florida warrants so Williams was released the next day. On October 9, 2002, Williams raped and robbed a 14-year-old girl while she was walking home from school. In May and June of 2003, Williams raped four women in the Decatur and Lithonia, GA, areas. On June 12, 2003, officers finally tracked Williams down and arrested him. He confessed to all six of these rapes. The five rapes committed between October 2002 and June 2003 could have been prevented if the outstanding Florida warrants had been entered into the NCIC system. The officers who stopped Williams in April and July of 2002 would have learned of the warrants and made him available to Florida for extradition. If extradited, he would not have been in a position to commit those five rapes.

Improving the completeness of the warrant records in the NCIC database would enable law enforcement officers to identify and arrest a larger number of fugitives and would improve the safety of our officers. However, the challenge does not end there. Even if a fugitive is arrested, extraditing that fugitive back to the State that issued the warrant can be costly. Law enforcement agencies often lack the resources to pay for the cost of transporting fugitives. They frequently choose to forego prosecution, allowing fugitives to evade justice and commit new crimes. Reducing the cost of extradition would increase the number of prosecutions.

Let me give you another example from the St. Louis Post-Dispatch series. In the fall of 1999, Virginia law enforcement authorities issued two felony warrants for the arrest of Felipe Fowlkes. Fowlkes had a record of criminal convictions that spanned two decades and included convictions for crimes ranging from burglary to sexual misconduct. In April 2000, Fowlkes learned of the warrants and turned himself in to the local police in Schenectady, NY. The Virginia authorities, however, refused to retrieve him for prosecution. Three weeks later, Fowlkes attempted to rob a woman and was arrested. He was convicted and sentenced to prison time. In July 2003, 6 weeks after his release, Fowlkes attempted to sexually assault a woman. Hours later on the same day, he lured a 15-year-old girl behind a school and raped her. The 2000 attempted robbery and 2003 rape might have been prevented if the Virginia authorities had extradited Fowlkes in 2000.

The CATCH Fugitives Act has three provisions that address the twin challenges of identifying fugitives who have crossed State lines and extraditing them for prosecution. First, it includes a major grant program that offers States and local governments significant funding for extraditions, but builds in strong incentives to improve the entry of warrants into the NCIC database. It authorizes $50 million in grants to States for each of fiscal years 2009–2015 to help cover the costs of extraditing additional numbers of fugitives from one State to another, but it conditions eligibility for grants on improved performance in entering warrant records into NCIC. Any State or unit of local government is eligible for an extradition grant during the first 3 years after enactment. However, a State or unit of local government would lose its eligibility if after 3 years it is still transmitting less than 50 percent of its warrants to NCIC; after 5 years it is transmitting less than 70 percent of its warrants to NCIC; or after 7 years it is transmitting less than 90 percent of its warrants to NCIC.

Second, to help States and local governments improve their performance in submitting warrants to NCIC, the CATCH Fugitives Act authorizes $10 million for each of fiscal years 2009–2013 for grants to State and local governments to improve their capacity, infrastructure and processes for transmitting warrants to NCIC.

Third, in order to help States and local governments further reduce the cost of extraditing fugitives between States, the Act directs the Marshals Service to expand its Justice Prisoner and Alien Transportation Service, JPATS—currently used for transporting detainees and inmates—and make it available for fugitive transports requested by States and local governments that participate in a Regional Fugitive Task Force. The act authorizes $2 million for each of fiscal years 2009–2015 for this purpose.

In summary, the CATCH Fugitives Act addresses serious problems that interfere with law enforcement efforts to bring fugitives to justice. It increases fugitive-hunting capacity nationwide. It provides resources and incentives for States to make information about outstanding warrants available to other States so that law enforcement agencies in one State can recognize when a fugitive from another State is in their grasp. And, it provides assistance that will reduce the cost of extraditing such fugitives from one State to another for prosecution. I urge my colleagues to support this important bipartisan legislation.

SYMQUEST

Mr. LEAHY. Mr. President, the Burlington Free Press recently printed an article about SymQuest Group Inc. in South Burlington. It was especially interesting to me, as I know the cofounders, Larry Sudbay and Pat Robins, very well.

In the article, Mr. Sudbay was said to make their success and the honors they have won seem very easy. One would have to know Larry Sudbay to realize that what he makes seem easy can be a Herculean task for most people.

The other cofounder is Pat Robins of Burlington. I was privileged to not only be a classmate of Pat's at St. Michael's College, but to have the further privilege of maintaining our friendship for the past 50 years.

Vermont is a small State with much to make us proud. People like Larry Subday and Pat Robins make our State even better.

I ask unanimous consent that the article from the Free Press be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, June 2, 2008]

PEOPLE, PAPER AND PIXELS PROPEL SYMQUEST

(By Joel Banner Baird)

SOUTH BURLINGTON.—Behind thick glass, like a motionless aquarium in the company's lobby, the SymQuest Group Inc. server room might hold the visitor's interest for a minute or two, tops.

Even CEO and co-founder Larry Sudbay can be easily distracted from the racks of hardware and colorful cabling—especially when one of his 152 employees walks by.

In this hardware-and-software company, everyone seems to be on a first-name basis; people are the moving parts at SymQuest. On May 21, Gov. Jim Douglas honored the 12-year-old company as the recipient of this year's winner of Vermont's top business accolade: the Deane C. Davis Award, citing SymQuest for its outstanding commitments to work environment and community—and for its vitality.

Last week, Sudbay, 51, made it sound simple.

He described the privately held, office systems management firm's steady, double-digit growth as ''fun momentum.''

In a nutshell, he said, his goal in management ''is to allow our employees to thrive, and to create raving fans.''

The company's 3,000 customers must be right: Sudbay predicts this fiscal year's sales to more than quadruple the $9 million SymQuest earned in 1997.

There's still room for expansion at the company's 40,000–square-feet headquarters on Community Drive. But a cautionary history looms, as well: SymQuest is housed in the footprint of now-extinct computer giant Digital Equipment Corp.

Sudbay and SymQuest co-founder Pat Robins sidestepped the fragile dot-com bubble of the past decade by integrating computer systems development with the lower-tech standbys of office work flow: copiers and printers.

''The Jetsons meet the Flintstones here,'' Sudbay quipped.

Approximately 20 percent of the company's revenues come from toner shipments and service contracts, he added.

SymQuest continually researches ways to better bridge the gap between pixels and paper.

Sudbay returns again and again to a fundamental question: how does information—often an intangible product—move through a business? And how is it thwarted?

His engineers, sales reps and technicians came up with a winning strategy: maximize customers' uptime with secure, off-site monitoring, matched with prompt, people-to-people service.

Rob Bromee, who directs SymQuest's support center, said the company's proprietary ''Sentinel'' devices allow his team to diagnose and even predict failures on clients' computers and networks.

''This is not just patch management,'' he said. ''We're listening. We like to go back upstream from the problem, to see what's causing it.''

Remote monitoring now extends to printers and copiers, as well. SymQuest can read meters and gauge maintenance needs; customers receive toner shipments days before they're needed.

In theory, a company in Bangkok could choose to delegate its IT management to SymQuest. For Sudbay, a 1979 graduate of University of Vermont, the vision remains in New England: Regional is beautiful.

''Keeping everyone within two hours is our goal,'' he said. ''Local is too small; regional provides us with the economy of scale for purchasing similar to big Web and Wall Street companies.

''This isn't India,'' he continued. ''We're based in the same time zone as our customers. If they need a physical presence, we're able to put our capes on.''

Sudbay said a tighter network of offices also allows employees to develop ties to their communities. Plaques on the walls at the South Burlington headquarters laud volunteers and charity fundraisers; firefighters, Little League coaches and Penguin Plungers.

The Deane C. Davis Award also cited SymQuest's direct outreach of cyber-expertise.

In February, following a competitive grant process, SymQuest awarded a ''$25,000 Office Makeover'' to a drug treatment and youth center near its Plattsburgh office. Another makeover is under way to upgrade networking at a mental illness center in Keene, N.H.

Neighborliness, Sudbay said, is essential to good business.

''Simply put, we're looking for mutually profitable, long-term relationships with customers,'' he said. ''The old adage where good guys finish last? Well, it's bogus. Good things happen to good people.''

REMEMBERING TIM RUSSERT

Mr. DODD. Mr. President, it is with great sadness that I rise today to remember Tim Russert—a remarkable individual, a journalist, a former staff member in this body, a dedicated husband, and above all else, a father. And I would like to add my voice to the chorus of those who have sung his praises these sad past several days.

Tim Russert was a force in American politics—and a force for integrity in our media. For 17 years, millions of Americans have looked to Tim on Sunday mornings for his insight into our political process. From his days serving as an aide to our former colleague from New York, Senator Moynihan, through every minute of his remarkable tenure at NBC, Tim never lost his enthusiasm for vibrant but respectful political discourse. It was in so many ways his lifeblood.

Like few others, Tim understood the role politics played not just in the media—but in our daily lives. He saw politics for what it was—not a fight among partisans, but rather the medium in which the diversity of views and values in our society are arbitrated to a national conclusion.

In that sense, under Tim's stewardship, ''Meet the Press'' became the premier forum for showcasing the fundamentally decent side of politics that is almost entirely lost today—where people of very different views, backgrounds and perspectives, could come together to debate their differences respectfully and constructively.

Indeed, one saw that in Tim's approach to matters of faith—where his own views and values were very formidable indeed. A year ago, Senator BROWNBACK and I shared the stage with Tim at Boston College, where we each talked about our shared Catholic faith and the role the Church played in our lives, shaping our politics and our society. With all the controversy around faith in politics over the last several years, some wondered about the fireworks that could have ensued.

But what Tim, a practicing Catholic, wanted was not two Senators delivering sermons, if you will—about how to ''use'' faith as a political weapon. Rather, as someone who once said that the nuns in Catholic school, ''taught me to read and write, but also how to tell right from wrong,'' Tim wanted us to talk about our formative experiences as Catholics. He wanted to engage us in a robust conversation about all that we shared—even in areas we vigorously disagreed with one another.

To be sure, in that sense, Tim was very much doing God's work each and every Sunday morning.

I was a guest on ''Meet the Press'' many, many times over Tim's years hosting the program. He was without question the most tenacious questioner I have ever known. Never once did I feel like Tim let me off easy. Never once did I feel he was being unfair or trying to score points. Every time I was on, most recently just a few weeks ago, he pressed me, pushed me, poked and prodded me as he did thousands of guests.

We were all the same in his eyes—no matter how many years we had been in public life, no matter how accomplished we were. He simply wanted to get at the truth—and if you didn't give it to him, Tim made sure that the whole world would know.

Certainly, there are many guests over the years who ''bombed'' on ''Meet the Press.'' One of the things I loved about Tim was that while he might let you embarrass yourself on national television, he would never embarrass you.

Part of that was his fundamental decency—but so, too, was it the special appreciation Tim had for his guests, having been on the other side himself, walking these very halls on behalf of our departed colleague from New York. Tim understood as well as anyone what those of us in public life did for a living—and I wish more in his profession were afforded his perspective.

Of course, Tim appreciated nothing more than family. Every time I saw Tim, he always wanted to know how your family was doing. Indeed, for all of his famously aggressive journalistic acumen, it is impossible to not mention the other side of that gregarious personality—the warmth and generosity. When I was on ''Meet the Press'' last year, Tim took the time after our interview to jump around and dance with my two young daughters. The twinkle in his eye was unmistakable when you talked family with Tim.

Lastly, I want to say a word about one of Tim's greatest legacies, and that is fatherhood—his contributions to what being a father means in America. His call to our responsibilities as fathers and the difference an active, involved, caring father can make in a child's life will be one of Tim's most significant legacies.

My colleagues know I have spoken many times on this floor about what my father meant to me—how more than anything or anyone else, it was my father's example that compelled me into public service.

Tim and I shared that bond, I think. Indeed, we both wrote books about our fathers—I having published long lost letters from my father as a prosecutor in the Nuremberg Trials, Tim writing two books, including one about the lessons he learned from his father, ''Big Russ'' in Buffalo.

At a time when some debate the condition of the American family, Tim's meditations on fatherhood—on the wisdom and character passed down by his father—struck a deep, resonant chord.

It was one of the saddest ironies of all that his next broadcast would have been on Father's Day. But perhaps it was meant to be that way—remembering Tim on a day in which we were all celebrating our fathers.

Jackie and I send our deepest sympathies to Maureen, Luke, Big Russ, and the rest of the Russert family. Our thoughts and prayers are with them—Tim will be dearly missed.

IDAHOANS SPEAK OUT ON HIGH ENERGY PRICES

Mr. CRAPO. Mr. President, earlier this week, I asked Idahoans to share with me how high energy prices are affecting their lives, and they responded by the hundreds. The stories, now numbering over 1,000, are heartbreaking and touching. To respect their efforts, I am submitting every e-mail sent to me through energy—prices@crapo.senate.gov to the RECORD. This is not an issue that will be easily resolved, but it is one that deserves immediate and serious attention, and Idahoans deserve to be heard. Their stories not only detail their struggles to meet everyday expenses, but also have suggestions and recommendations as to what Congress can do now to tackle this problem and find solutions that last beyond today. I ask unanimous consent to have printed in the RECORD today's letters.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Let us see if our representatives truly represent us or not. Or are they giving in to the environmental lobbyists? I believe the question of drilling here at home for oil and natural gas should be put on a nationwide ballot and then Congress should push forward with the outcome of that result. Are we really living in a democracy or not? I believe the majority of Americans approve of drilling here for oil and natural gas. If our representatives truly represented us, that would have been happening by now.

STEVEN.

DEAR SENATOR CRAPO: The only way to stop the rise in oil prices is to start drilling in our own country. The special interest environmental groups run Congress to the detriment of the American people and the economy.

We can't drill off the coast of Florida, but the Chinese can; and everybody knows how careful the Chinese are when it comes to the environment. We have huge supplies of natural gas and oil right here in our own country but a few so-called environmental whack jobs are being allowed to destroy our economy and our country.

Sincerely,

GEORGE.

I do not have an energy story. I simply want to thank Mr. Crapo and ALL of the folks that help him in the everyday part of the legislature business.

Sincerely,

PEGGY, Meridian.

DEAR MR. CRAPO, I am a resident of Coeur d'Alene, Idaho; taxpayer and voter. Can you please explain to me why the Republican Congress did nothing to confront this issue 4 years ago when they controlled all three branches of the government? You knew then that there was an energy crisis and that it would get worse. yet no proactive legislation was passed to confront the issue or to increase production. . . . why?

Unsigned.

Hello Senator and thanks for your efforts. You asked that I share my story on how the high gas prices have affected my life. I am sure my story is not nearly as poor as some may be. I am thankful to have a stay-at-home eBay job. However, even I wonder how others do it when once a week I pay $50 towards a gas tank full to operate my car and I do not even hardly go anywhere! I used to pay this much all month, now I pay it once a week. My wages are not going up. I have an energy-efficient mini-van.

It has mostly affected my family, however, because my 5 children, 7 years and younger, can no longer feel free to visit their dying grandmother and grandfather, just 3.5 hours away. It used to cost just $20 in gas for a visit there and back, not a big deal. Now it costs $60. Instead of doing this a couple times a month for $30–40, I can now only do it once every 1.5–2 months for $60. Grandma and Grandpa do not come visit us anymore but maybe once every 6 months. They used to come once a month. Our fun outings into the country for enjoyment and to get away from the hectic busy pace of our lives. They simply do not happen anymore. I take the stroller down the bike path. Boring and depressing.

It is depressing to see such price gouging and why? Is it because of the war? Cannot the government regulate price gougers in such a time of war and economic depression with the housing slump and all? It would be nice to see someone step up to bat. Other families who drive to work every day feel it the most. It makes for all our friends to have sad moods.

Thanks for your time.

MARIANNE.

My family and I are low middle income and, with the price of fuel/groceries, we have had to choose our fuel to get to work or food. Both my husband and I have been eating less to ensure that our children are well fed, among other cuts in our life. I am extremely worried that if it continues we just won't be able to pay our bills too. We need to be utilizing our own resources within our country! Thanks, Jennifer

This makes good sense to consider for all our ''Political Leaders'' [to watch this video] . . . let's get something positive going. http://www.youtube.com/watch?v=ZPch2k63uj4

DAN, Post Falls.

I watched part of a program on PBS where communities are pooling together and buying wind mills to power their towns, and the people in the communities profited from the projects through little or no cost for power. Why can't we get something started like that in Idaho? If for no other reason, it would give the wind a reason to stop blowing.

We could invest the city/county/tax money in wind farm projects—use money to make and save money for the communities. If we could keep the shyster politicians away from the cash.

Another energy idea would be to allow the carburetors for automobiles to be revised for better gas mileage. That would be a very simple solution. If an 80,000 pound semi and trailer can get 8 miles per gallon, a car should be able to get at least 100. That would substantially reduce the amount of fuel consumed.

KATHY, Twin Falls.

DEAR SENATOR CRAPO, I am the Executive Director of the Eastern Idaho Community Action Partnership in Idaho Falls which serves 9 eastern Idaho counties. One of our programs is the LIHEAP program which provides one time help with energy bills. The program concluded at the end of March. There is a component of LIHEAP called LIHEAP Crisis that provides limited help outside of the normal Energy Assistance schedule. Since the end of March, we have received requests for help from families we have never seen before. Families must meet the same income criterion that is required for the standard LIHEAP program. What this tells us is that families have been able to make due until now, but because of high fuel costs and higher grocery prices, they are now not able to meet all of their obligations. We are also seeing more requests for food boxes than in previous years.

I hope this is helpful for you.

RUSS, Idaho Falls.

I sell heavy equipment and these fuel prices are doing more than pinching family budgets, although they are doing that too. Almost every day I have a contractor tell of a job that got put on hold or cancelled due to the high price of moving dirt. Most of the increase in excavating prices is directly related to diesel. These fuel prices are putting people out of work.

What can we do to get Congress off their butts and start drilling oil wells and refining it?

Why are we wasting natural gas making electricity, instead of promoting nuclear and hydro?

Why are we not pushing diesel? It is cleaner and far more efficient than gasoline.

BRENT, Rigby.

MR. CRAPO, thanks for your email update on the failure of congress to act concerning higher energy prices. You are all pandering to the environmental wackos. I'm ticked that the Chinese can drill for oil just off our coast lines but we cannot. We need congress to allow oil companies to drill on federal land, especially up in Alaska. We have plenty of our own oil, let's use it and quit depending so much on foreign sources! Yes conservation is good, but we really need increased domestic supply to drive down costs. And we need lower costs NOW before our economy is run into the ground. I can't even afford to fly out of Twin Falls right now because airlines are raising their prices so high, so I have to drive to Boise to catch lower cost flights; I fly a lot for business purposes. But then I have to pay much more in gas to drive from Twin to Boise, so I really do not save all that much . . . but every little bit helps. My vote this Fall, and from here on out will be for whoever will work the hardest on this issue of increasing domestic supply of oil.

RON, KIMBERLY.

MR. CRAPO, I am responding to your request for some more individual perspective on the brunt of the energy crisis. With the cost of gasoline up 40% it directly impacts my pocketbook, not just in driving costs, but everything that I do. The cost of electricity, the cost of food, shipping, everything has gone up. As a small business owner, and employer here in the state of Idaho, it significantly affects me, and my employees. We need to take every step we can to make our country energy independent, relying on people that hate us, and our way of life, for energy is suicide. If it takes opening up areas for exploration of oil, and natural gas I'm for it! Give oil companies incentives and tax breaks for finding, and refining more product. Stop the stranglehold these out of touch clowns have on our nation! Make us once more the strongest nation in the world! We do not need to be the strongest by subjugating other nations, just by being the only nation that can stand on its own!

Thank you for your time,

DANIEL, Boise.

DEAR SENATOR CRAPO: You asked how the energy crisis is affecting me personally. My truck is a 1994 Chevy with 140 thousand miles on it. I was going to buy a new one to replace it. Since the increase in costs for gas and diesel, I can not afford it now so I will just

continue to repair what I have and drive it less. So this discussion affects many businesses in my area.

(1) I will not be spending money at the dealers to buy it.

(2) I will not be spending interest at my credit union for the loan.

(3) I will not be spending money at the insurance company for the added insurance.

(4) I will not be spending money at the parts houses for improved add-ons to the vehicle (tinted windows, bed liner, etc).

(5) I am not going to be taking a driving vacation this year, cost too much.

(6) I do not think I'll be going on an airplane either cost for tickets is increasing.

(7) I wanted to go over to Europe, Italy this year because I have never been there, but now the cost Euro cost is 1.5 times greater so that will not happen.

Think of the places in the U.S. you have to spend money to get there. Congress does not realize that this is getting worse every day, a recession is already here and if it continues it will be a depression. The oil is not going to go down. The World can only make 85 million barrels per day. The World wants 86.5 million barrels per day. The world is now out bidding the U.S. for oil supplies. The U.S. has to pay the price to by oil for what the world market sets it at. (Econ 101—supply vs. demand). The U.S. makes 5 million barrels per day—the U.S. uses 21 million barrels per day so we need 16 million barrels per day for imports. These are facts FACTS——does congress get these FACTS!!!! We either get more of our own oil or we continue to pay and pay even more. Please tell them over and over again, THIS PROBLEM IS NOT GOING TO GO AWAY IT WILL ONLY GET WORSE! Please tell your democratic friends to do something and not put there head in the sand.

Thanks for asking.

JOHN, Boise.

I am a young mother in Meridian, Idaho. I am one of those few who can honestly say that I LOVE my in-laws. We love to be together as a family. Each year we have a family reunion and do crazy things like make movies, or invent games. These things create memories for generations. This year our family reunion was going to be in late July at the Oregon Coast. Sadly, we recently cancelled our family reunion due to GAS PRICES. It would have cost over $700 per family just to drive to the Oregon Coast. Since our family consists of 5 collective young families—it was just too high of an expense for many of us. $700 in gas is just absurd! We are so disappointed! We have been looking forward to this vacation for over a year! There was no way back in August of 2007 that we could have predicted the rise in gas prices. What was feasible then is impossible now. All because of the rise in gas prices. Our family believes in being self sufficient and I believe that America should start being the independent nation we claim to be. Let's use our own oil to create our own gas to put into our own cars so that we can take care of our own families. Thank you for the opportunity to share.

CAMI, Meridian.

SENATOR CRAPO: Rising energy costs are driving up the costs of virtually everything and rapidly deteriorating the American standard of living. We are having to cut costs wherever possible to compensate because our wages are not going up equally with energy costs. I am so very frustrated with the US Congress. They are inept! They argue instead of taking action. Whenever a good bill comes up they tag it with riders full of wasteful spending. I never thought I'd see a day when the USA was so close to a real depression. Our economy and dollar are heading down the tubes and nothing is done. Of course it is the fault of years of bad government for ruining our economy and it is only going to get worse. I have no faith in the majority of the idiots running this country. It is like no one has any basic common sense or fiscal management skills. It makes me sick!

TOM.

Our young married couples are really feeling the pinch of gas costs. Since travel is necessary in southeastern Idaho, we are left with no choice but to pay. We have felt the need to help our married kids pay for gas, which cuts into other budget items, such as food, medicines etc. Our students really feel the pinch since tuition costs have also risen.

We strongly support lessening our dependence as a nation, by updating refineries, and drilling. Thank you.

CURTIS, Driggs.

SOMALIA

Mr. FEINGOLD. Mr. President, although Somalia's 9 million people have suffered from violence, natural disasters, and lawlessness for decades, the humanitarian and human rights crisis they face seems to keep getting worse. On Monday, the United Nation's humanitarian coordinator for the Horn of Africa announced that due to fighting between rival militias, successive droughts, sharply rising food prices, and a collapse of the Somali currency, more than 3.5 million Somalis will need emergency food relief in the next 3 months.

On June 9, the United Nations' Special Representative for Somalia, Mr. Ahmedou Ould Abdallah, announced the first piece of good news from Somalia in a long time. With support from the U.S.'s own Special Envoy for Somalia, Ambassador John Yates—as well as representatives from the UK, Djibouti, Saudi Arabia, the African Union, the League of Arab States, the Organization of Islamic Conference, and the European Union—Mr. Abdallah succeeded in brokering an agreement between Somalia's internationally recognized Transitional Federal Government, T.F.G., and a faction of the opposition Alliance for the Re-Liberation of Somalia, A.R.S.

We cannot be naïve, however, because there have been numerous such agreements in the past in which ceasefires, political cooperation, and efforts to promote peace, justice, reconstruction, and reconciliation were promised. The outcome could be different this time, if the international community commits the political and material resources necessary to see it through. External actors were a critical driver behind the peace talks in Djibouti and the resulting agreement, which ends with a call for international support that was echoed in the signing statements of the two rival political leaders. At the same time, we must recognize that extremist groups like al Shabaab have not accepted this peace deal and intend to continue fighting. They should not be allowed to derail the recently signed agreement. Indeed, by bringing the ARS into the institutional fold and consolidating a legitimate peace, the international community is more likely to see al Shabaab marginalized and rendered ineffective. This is not to say the road forward will be smooth, but taking steps to encourage existing divisions between the ARS and al Shabaab may create a path for ARS moderates to press for dismantling al Shabaab.

Mr. President, Mr. Abdallah should be commended for this achievement, but more than back-patting is in order. His success as a mediator—and indeed, the leverage and credibility of the United States and those who share our vision of a stable, peaceful Somalia—rests upon the steps taken in the next days and weeks to facilitate the implementation of this agreement. Immediate, adequate, and coordinated action is needed to ensure that this most recent agreement does not meet the fate of its predecessors, with potentially more devastating consequences.

Last month, this body passed a resolution I introduced, which called on Somalia's rival factions to recommit to an inclusive political dialogue and pledged international support for sustainable peace and security in Somalia and across the Horn of Africa. Mr. Abdallah and others have done their part. Now it is time for the international community to make good on our word.

NOMINATION OF HARVEY JOHNSON

Mr. WYDEN. Mr. President, on April 18, I announced my intention to object to any unanimous-consent request for the Senate to take up the nomination of Harvey E. Johnson who has been nominated by President Bush to serve as Deputy Administrator of the Federal Emergency Management Agency. I did so because, prior to his confirmation as Secretary of the Department of Homeland Security, Michael Chertoff told me in my office that if confirmed he would move expeditiously to implement the National Emergency Technology Guard—NET Guard—program. Unfortunately, Secretary Chertoff had failed to honor that pledge.

However, I am pleased to say that this morning the Department of Homeland Security has finally issued a solicitation for applications for a NET Guard pilot program, effectively beginning the implementation process. It is years late, but at last the Department is moving forward with this critical program.

In light of this action, I will no longer object to any unanimous-consent request for the Senate to take up Mr. Johnson's nomination. I will, however, continue to closely monitor DHS's actions on NET Guard.

I ask unanimous consent that a copy of the Department of Homeland Security's press release announcing the pilot program be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEMA ANNOUNCES SOLICITATION TO PILOT CITIZEN CORPS NATIONAL EMERGENCY TECHNOLOGY GUARD (NET GUARD) PROGRAM

WASHINGTON.—The Department of Homeland Security's Federal Emergency Management Agency (FEMA) announced today $320,000 is available in Fiscal Year (FY) 2008 to pilot, test, and develop tools for a potential new Citizen Corps (CC) National Emergency Technology Guard (NET GUARD) Program. NET Guard teams will be comprised of volunteers with information technology (IT) and communications expertise to assist States and localities in responding to and recovering from incidents that cause significant damage or destruction to IT and communications infrastructure. Teams will be a local asset, managed at the local level, and deployed in response to a request from local or State authorities.

This competitive pilot program will award funds to four jurisdictions. To be eligible to apply, local government applicants must be located in one of the 2008 DHS Urban Area Security Initiatives jurisdictions and must have a Citizen Corps Council and programs supported by emergency management. Additional eligibility criteria are included in the solicitation announcement. Beginning June 18, 2008, eligible government entities may apply through the Grants.gov portal, accessible on the Internet at http://www.grants.gov. Applications can be received no later than 11:59 PM EST July 2, 2008.

Citizen Corps is FEMA's grassroots comprehensive strategy to actively involve the full community in preparing and building resilience through participation with emergency management in planning, prevention, mitigation, response and recovery.

NATIONAL HISTORY DAY

Mr. ALEXANDER. Mr. President, this week high school students from all across the Nation have come together to celebrate National History Day at the University of Maryland. I would like to commend these students, their parents, and their teachers for demonstrating such interest to the study of history. History education is the foundation of a quality education, and ensuring that we have passionate and dedicated students of history is an important accomplishment of the competitions and events at the University of Maryland this week.

The National History Day program delivers yearlong programs dedicated to improving the teaching and learning of history across our country. Over 1.5 million students, teachers and parents, participate in the instructional and research projects each year. Since 1994, millions of Americans from all across the country have improved their knowledge of history through participation in this creative program.

We know that there is a need for better teaching and learning of history. The 2006 National Assessment of Educational Progress, NAEP, U.S. History report card shows that 82 percent of 4th graders, 83 percent of 8th graders, and 77 percent of high school seniors scored below proficient in historical knowledge. These results are similar to results for the past decade in NAEP assessments, and it concerns me greatly.

As an advocate for putting American history and civics back into its rightful place in our school curriculum, I chose to do my maiden speech on the education of our children and the principles that unite us as Americans. Along with several other distinguished cosponsors, I introduced the American History and Civics Act in 2003 to create Presidential and Congressional Academies for Teachers of American History and Civics—and was pleased when that legislation was signed into law.

I have had some experience with such academies when I was Governor of Tennessee. In 1984, we began creating Governor's Schools for students and teachers. Eventually there were eight Governor's Schools helping thousands of Tennessee teachers improve their skills and inspiring outstanding students to learn more about core curriculum subjects. When the school year began, students and teachers brought with them a new enthusiasm for learning and teaching that directly impacted their peers. Governor's Schools were one of the most effective and popular educational initiatives in our state, and I am pleased that we have been able to use that as a model for the Nation.

I applaud the organizers National History Day for recognizing the importance of educating today's youth of the many great feats that were accomplished, the struggles that were overcome, and the events that took place to make this country what it is today. I also congratulate all of the students, teachers, and parents who participate in it—and in particular wanted to congratulate the following Tennessee students participating in this event:

Emilee Frazier—Chuckey Doak Middle School, Afton, TN; Katie Adams—Chuckey Doak Middle School, Afton, TN; Gary Moats—Polk County High School, Benton, TN; Nick Ramsey—Polk County High School, Benton, TN; Matthew Vandevander—Polk County High School, Benton, TN; Anthony Joslin—Polk County High School, Benton, TN; Jon Rivers—Tyner Academy, Chattanooga, TN; Manish Jethva—Tyner Academy, Chattanooga, TN; Jacquelyn Benford—Tyner Academy, Chattanooga, TN; Markcus Kitchens—Tyner Academy, Chattanooga, TN; Walker Thompson—St. George's Middle School, Collierville, TN; Ryan Grover—St. George's Middle School, Collierville, TN; Mason McGough—St. George's Middle School, Collierville, TN; Andrew McBride—St. George's Middle School, Collierville, TN; Nikki Martinez—St. Benedict at Auburndale, Cordova, TN; Anna Cabe—St. Benedict at Auburndale, Cordova, TN; Mary Barczak—St. Benedict at Auburndale, Cordova, TN; Andrew Grayson—Fred Page Middle School, Franklin, TN; Adam Anderson—Fred Page Middle School, Franklin, TN; and Olivia Smith—Fred Page Middle School, Knoxville, TN.

Dylan Rasnick—Fred Page Middle School, Knoxville, TN; Katherine Ballew—Fred Page Middle School, Knoxville, TN; Willis Walker—Fred Page Middle School, Knoxville, TN; Erin Stapleton—Fred Page Middle School, Knoxville, TN; William Coe—Greenway School, Knoxville, TN; Sophie Yates—Greenway School, Knoxville, TN; Shannon Gleason—Knoxville Catholic High School, Knoxville, TN; Hannah Armendarez—Knoxville Catholic High School, Knoxville, TN; Xrista Christopoulos—St. John Neumann School, Knoxville, TN; Alexander Grimm—St. John Neuman School, Knoxville, TN; Claire Northern—St. John Neuman School, Knoxville, TN; C.C. Hermes—St. John Neuman School, Knoxville, TN; Sarah Gallagher—Lebanon High School, Lebanon, TN; Jennifer Melroy—Lenoir City High School, Lenoir City, TN; Rachel Collins—Fort Loudoun Middle School, Loudon, TN; Sarah Aldy—St. Agnes Academy-St. Dominic School, Memphis, TN; Ali Delgado—St. Agnes Academy-St. Dominic School, Memphis, TN; Alex Arcamuzi—White Station High School, Memphis, TN; Sahaj Singh—White Station High School, Memphis, TN; Bhavna Kansal—White Station High School, Memphis, TN.

Melissa Swauncy—White Station High School, Memphis, TN; Breanna Morrow—Mosheim Elementary, Mosheim, TN; Brittany Loveall—Mosheim Elementary, Mosheim, TN; Melissa Kinser—Mosheim Elementary, Mosheim, TN; Melody Zurawski—Martin Luther King Jr. Magnet-Pearl High School, Nashville, TN; Quidra Cothran—Martin Luther King Jr. Magnet-Pearl High School, Nashville, TN; Kayla Garrett—Martin Luther King Jr. Magnet-Pearl High School, Nashville, TN; Amber Jackson—Martin Luther King Jr. Magnet-Pearl High School, Nashville, TN; London Colbert—Martin Luther King Jr. Magnet-Pearl High School, Nashville, TN; Sonali Mahendran Meigs Magnet Middle School, Nashville, TN; Vivian Hughbanks—Stone House School, Signal Mountain, TN; Grace Hughbanks—Stone House School, Signal Mountain, TN; and Caitlyn Sudkamp—Walden Home School, Signal Mountain, TN.

143RD CELEBRATION OF JUNETEENTH

Mr. CARDIN. Mr. President, today marks the 143rd anniversary of Juneteenth, a day on which our Nation celebrates the complete abolition of slavery in the United States.

On June 19 of each year, we mark a turning point in American history. On January 1, 1863, President Lincoln issued the Emancipation Proclamation, freeing slaves in the Confederate states. However, it was not until June 19, 1865, a full 2½ years later, that Union General Gordon Granger and 2,000 Federal troops arrived in Galveston, TX, to take possession of the State and enforce the emancipation decreed by President Lincoln. Tragically, slaves in Texas were not freed until that date. Juneteenth celebrations began in Texas the following year and have continued ever since.

Now, in communities across the country, Juneteenth is a day for Americans to reflect upon a tragic period that divided our Nation and prevented realization of the Declaration of Independence's introductory words, ''(W)e hold these truths to be self-evident, that all men are created equal . . . ''

For Marylanders, Juneteenth is a time to contemplate our own State's history. Slave labor helped spur Maryland's growth from the State's conception in 1664 until 1864 when slavery was abolished with the ratification of a new

State constitution. Two hundred years of subjugation and oppression, of bondage and tyranny, serve as a reminder to all of us now of the importance of freedom and equality.

Although Maryland was a slave State, it did not secede from the Union. Marylanders' contributions to the Union cause and the abolitionist movement did much to secure the abolition of slavery. Harriet Tubman, who was born Araminta Ross in Dorchester County, freed countless slaves from bondage and was the first woman to lead an armed assault in the Civil War. Frederick Douglass, who was born Frederick Augustus Bailey in Talbot County, escaped slavery and went on to become one of the foremost leaders of the abolitionist movement. These heroic Marylanders dedicated their lives to the emancipation of all slaves and the empowerment of African Americans.

Earlier this year, we commemorated the 40th anniversary of the death of Martin Luther King, Jr. His legacy remains with us as we continue to pursue equality and justice wherever disparities exist, whether in the economic, educational, housing, or health care arenas. It is our duty to eradicate discrimination in all its insidious forms. Our concerted efforts will be necessary to wipe out racial intolerance, and the strength of the Nation depends on the success of these efforts.

Today, on this 143rd anniversary of the first Juneteenth, another historic event will take place. The first African-American woman to represent Maryland in the U.S. Congress, DONNA EDWARDS, will be sworn in this afternoon. It is my honor, on this historic day, to call upon my colleagues to join me in celebrating Juneteenth and those who made this day possible.

ADDITIONAL STATEMENTS

TRIBUTE TO JUNE SALANDER

• Mr. LEAHY. Mr. President, I wish to pay tribute to June Salander of Rutland, VT. On June 28, 2008, June will celebrate her 100th birthday.

June Salander has led a remarkable life. Like many Jewish immigrants, she came to the United States via Ellis Island in 1920 after a journey from Ros, Poland, making the trip with her mother, brother, and sister. Family and a supportive Jewish community were always positioned as cornerstones of June's upbringing. In 1941 she married her husband Lew Salander and moved to Rutland, VT, where she has remained an active community member ever since. A strong believer in the idea that it takes a village to raise a child, June has lent her time volunteering at the Rutland Hospital and teaching Hebrew school classes. June has remained an active citizen into her golden years, earning her real estate license at the age of 62 and taking up tennis at the impressive age of 73. Her commitment to education and community outreach expands to the home with June's famous cooking. June warms the homes and lives of others with her legendary apple strudel which she has shared through cooking lessons. She continues to inspire with her dedication to continual learning and improvement.

June Salander inspires with her energy and enthusiasm within the religious community as well. The Rutland Jewish Center has remained an integral part of her social and cultural life. June's daughter, Menasha, accurately describes the center as June's living room, kitchen, dining room, and backyard. Deeply rooted community involvement remains a core value, and to further uphold and solidify the Jewish tradition, June was Bat Mitzvahed at the extraordinary age of 89. It is believed that June is the oldest Rutland resident to complete the significant ceremony. Her commitment to observing Judaism and keeping tradition alive through education is a landmark of encouragement and pride for the Jewish community. I congratulate June Salander as she reaches yet another remarkable milestone, her 100th birthday. The message she has instilled in others through a lifetime of active citizenship is commendable. I am confident that June's spiritually fulfilling and publicly active life will continue to inspire others for years to come.

On a personal note, my wife Marcelle and I have cherished her friendship for a third of a century, as we did that of her wonderful husband.•

CELEBRATING WAHIAWA ELEMENTARY SCHOOL'S CENTENNIAL

• Mr. AKAKA. Mr. President, I take this opportunity to congratulate the Wahiawa community as it marks the centennial of Wahiawa Elementary School. Located in central Oahu, Wahiawa is home to one of Hawaii's first pineapple plantations. As the industry grew, so did Wahiawa and the needs of its residents.

Wahiawa Elementary opened in 1908, on Lehua Street with one teacher, Mrs. H.C. Brown, and 56 students. In 1924, Wahiawa Elementary expanded to six classrooms, only to be closed during World War II. In 1950, Wahiawa Elementary reopened with a new building and a new location on Glenn Street.

Today, Wahiawa Elementary has an enrollment of approximately 500 and includes a center for medically fragile students, a teacher training center for students with autism, and a preschool. Wahiawa Elementary students have a 95 percent attendance rate.

For 100 years, Wahiawa Elementary has been a focal point for Wahiawa, providing a strong foundation for the community's children and families. There are now several other elementary schools in the Wahiawa area due to dramatic population growth on the island of Oahu, but Wahiawa Elementary remains a special place. In understanding what this elementary school represents to its community, the school's motto is fitting: Ku lokahi ka 'ohana 'o Wahiawa! Stand in unison the family of Wahiawa!•

IN HONOR OF ALFREDO NÚÑEZ

• Mr. KERRY. Mr. President, I would like to take a moment to celebrate the life and work of a dedicated educator. This month, Alfredo Núñez will retire as principal of the Agassiz Elementary School of Jamaica Plain, MA, and as he prepares to do so I am proud to join with his colleagues, friends, and family in celebrating more than 30 years of service to Boston Public Schools.

Born in Caracas, Venezuela, Núñez immigrated to the United States in 1963. He attended high school in Jersey City, NJ, and subsequently moved to New Brunswick, NJ, where he graduated from Rutgers University.

Following graduation, he moved to Boston where he became a U.S. citizen and obtained his master's degree from Boston University in bilingual education. Núñez then became a fifth grade teacher at the Agassiz, where he has worked ever since. One of the largest elementary schools in Boston, with over 800 students and 100-plus faculty and staff members, the Agassiz is a diverse and dynamic school with a large bilingual student population. Núñez relished the opportunity to not only teach but also to learn from the thousands of students, parents, and teachers he has worked with over the years.

During his tenure as principal, the Agassiz has garnered numerous awards and accolades for its drive to achieve excellence in education. Núñez has encouraged partnerships with institutes of higher education such as the University of Massachusetts and Harvard University, as well as art and cultural institutions like the Boston Ballet, to try to expand his students' horizons. He has also worked to grow parent participation within the school to foster a more community oriented approach to learning.

I am proud to pay tribute to the service of Alfredo Núñez to the Agassiz and to the children of Boston. I wish Alfredo the very best as he looks back on so many achievements and contributions to the community and begins this new chapter in life.•

HONORING J.R. SIMPLOT

• Mr. CRAIG. Mr. President, in 1923, a 14-year-old boy dropped out of school in Declo, ID, and began working as a potato sorter. He eventually became a potato and hog farmer, a forester, a miner, an entrepreneur, an industrialist, an investor, a billionaire, and today—he is a legend.

John Richard Simplot was born in Dubuque, IA, in 1909—but his family moved to Idaho when he was young, and Idaho remained his home. At an early age, J.R. knew school was not for him, so he dropped out and began

working in the fields. He saved up and was able to buy 40 acres of land and several hogs. He planted potatoes and fed his hogs with a homemade feed recipe that allowed him to use his own spuds and meat from wild horses. That saved him some money on feed; moreover, as luck would have it, a harsh winter depleted the grain stock, and come market time, J.R.'s fat, home-fed hogs stood out against everyone else's skinny pigs, and the young man reaped the rewards.

He expanded his hog business, and by the time he sold it, he owned roughly 500 hogs. He took his earnings and put them into horses, farm machinery, and seed potatoes. From there, he rented some land and began to build what would later become his empire.

In 1928, at the ripe old age of 19, Simplot learned of a machine that had been built in eastern Idaho. It was an electrically driven potato sorter. J.R. saw potential and found a partner, and together they spent $254 on the new piece of equipment, which enabled them to sort not only their own crops but the crops of other farmers as well—for a price.

A dispute between J.R. and his partner forced them to decide who would keep the machine. J.R. said ''I'll flip you for it,'' and wouldn't you know it—he won the coin toss. He was off on his own.

Winning the toss was luck, but the rest of his success throughout the years can only be attributed to his devotion to hard work and his incredible resourcefulness. For years the young Simplot built hog pens, dug potato cellars, tilled soil, hauled sacks of potatoes, and did countless other tasks.

It was after the Great Depression, though, when Simplot's chance came to make a name for himself in the potato business. The Bureau of Reclamation was created, and projects like dams and canals began along the Snake River in Idaho. The projects would bring more water to the valley, which would lead to more farms, more crops, and more opportunity to diversify within agriculture. By 1940, J.R. had 33 potato warehouses and had also gotten into the business of onions and onion-drying.

When the United States entered World War II, there were only five companies that could dehydrate vegetables, and no one could dehydrate potatoes at least not until J.R. Simplot found a way. He began producing dry potatoes for U.S. troops and by 1945 was producing an average of 33 million pounds of dried potatoes a year. That was one-third of the U.S. military's consumption during the war.

As his success in potatoes expanded, his ability to save money by producing his own raw materials grew. In 1943, he didn't have enough boxes to ship out his dry potatoes, so he started his own box plant. When that company needed more lumber, he bought a lumber company. And when his supply for fertilizer for his potatoes was cut off, he developed his own. He went to the Fort Hall Indian Reservation looking for phosphate rock for his new fertilizer and ended up tapping into the largest phosphate mine in the West. He leased the land and built a fertilizer plant.

In 1945, J.R. Simplot became a cattleman when he built a small feedlot for the purpose of getting rid of the potato waste coming from his processing plants. Peelings and sprouts were mixed with alfalfa and barley to make feed for cattle, and yet another Simplot business flourished.

A huge discovery in the 1950s propelled the empire forward even further when Simplot discovered a way to freeze potatoes—and the frozen french fry was born. It was the 1960s when J.R. went into business with a man by the name of Ray Kroc. Kroc was a fast food operator who had begun a chain. That chain was McDonald's, and soon the Simplot Company became the largest supplier of frozen french fries to the fast food giant.

By the late 1960's, J.R. Simplot grew more potatoes, owned more cattle and land, and employed more people than anyone else in Idaho. He was the largest processor, drier, and freezer of potatoes in the world and owned processing plants, fertilizer plants, mining operations, and other enterprises in 36 States, Canada, and overseas—making him the largest industrialist in Idaho and one of the largest in the world.

But he continued to get into new businesses. Using his potatoes, he began producing ethanol in the 1970s, and with the manure from his cattle operations, he began fueling methane gas plants in the 1980s. At the same time, he invested in a small computer chip company that is today Micron Technology.

He left his footprint on Idaho perhaps more than anyone else in history. Dubbed ''Mr. Spud,'' he provided countless jobs for Idahoans in so many areas. He seemed to have his hand in everything that is Idaho, and everything he touched seemed to succeed.

But that is not the reason I admired the man. Even with all his success, J.R. Simplot had his failures. The difference between many people and Jack, though, was his never-ending drive and determination to get up and do something again, and to do it better. It was his persistence in wrangling successes from failures that made J.R. the kind of man everyone should admire.

He wasn't just a brilliant business man. He loved Idaho, and in fact, a few years ago, signed his home over to the State of Idaho to use as the new Governor's mansion. He also loved his fellow Idahoans. And although he never received a formal education, he always believed in getting one and therefore gave millions of dollars to universities and students in Idaho. He was also a major supporter of the arts.

Recently, at the young age of 99, J.R. Simplot passed away at his home in Boise. He had risen that Sunday morning, walked into his kitchen and insisted to his wife Esther that he was going to go to the office. That was the kind of man J.R. Simplot was. Even at the age of 99, even with billions of dollars, his last thought was that he needed to go to work.

I am going to miss my friend Jack, and my sincere condolences go out to Esther and his family. But it is important for the record to show that his passing has significance well beyond his immediate community in Boise. J.R. Simplot should be celebrated for the tremendous impact he had, not only on Idaho's history but on U.S. history. That impact, and his legend, will live on.●

100TH ANNIVERSARY OF RUTGERS UNIVERSITY

● Mr. LAUTENBERG. Mr. President, today I congratulate Rutgers University-Newark in honor of their 100th anniversary. From its roots as the New Jersey Law School, Rutgers-Newark has evolved into a premier urban research university with a tradition of outstanding scholarship and diversity.

Students from across New Jersey, the United States, and from all over the world come to Rutgers-Newark to work and study with a world-class faculty. Its global student body has earned it the designation by U.S. News and World Report as the most diverse national university in the United States for 11 consecutive years.

As Rutgers-Newark has grown, so has their commitment to the local community and the entire State of New Jersey. The expansion of Rutgers-Newark has added to the growing redevelopment of Newark. With the celebration of its first 100 years in Newark, plans abound for expanded development of the university and its connections and commitment to the great city of Newark.

The faculty, students and alumni of Rutgers-Newark have much to be proud of after a century of outstanding educational achievement. Rutgers-Newark is still dedicated to maintaining the highest standards of research and scholarship, educational opportunity, urban mission, and diversity. I applaud Rutgers-Newark for their ''Century of Reaching Higher'' and wish the university continued growth and success for many years to come.●

REMEMBERING JOHN W. KEYS

● Mr. CRAPO. Mr. President, unfortunately, a tragic accident is the occasion of my remarks today. On May 30, recently retired Commissioner of the Bureau of Reclamation, John W. Keys, was killed, along with his passenger, when his plane crashed in Canyonlands National Park in Utah. John worked for the Bureau of Reclamation for close to 40 years, serving in most all regions including in Boise as regional director of the Pacific Northwest region. In

2001, President George W. Bush appointed him Commissioner of the Bureau, where he served for 5 years until his retirement in April 2006.

John believed in the adapting mission of the Bureau of Reclamation. He joined the Bureau at the time in its history when the final projects it oversees today were being authorized. During his tenure, the Bureau went from constructing water projects in the West to maintaining and improving facilities and processes. John was well-known for his efforts to facilitate collaborative management and solutions to challenges. He was a man of solutions and integrity, and he cared deeply about people and our natural resources. Idaho benefited from John's leadership as he worked with the State legislature, interest groups, the Tribes and irrigation districts on solving some of the thorny issues that have arisen with Endangered Species Act requirements in the Columbia River system for species such as salmon and bull trout.

In January, 2006, John spoke about the mission of the Bureau:

> Our mission has evolved from the construction of dams to management and maintenance. As water management has evolved, Reclamation has transformed into a more comprehensive water management agency. Today, much of our focus is on improving the safety, security, and efficiency of the facilities we already have, as well as meeting environmental obligations. The challenges we face today in maintaining and improving the system are as formidable as those challenges that we surmounted during Reclamation's construction heyday. One priority is security . . . We feel more prepared and, therefore, more secure against terrorism, than ever.
>
> A lot is changing, but some things remain constant. Since I was appointed Commissioner in 2001, my main priority has been carrying out Reclamation's core mission: deliver water, generate power, do the things it takes to get that done, and plan for the future. I'm interested not just in the next few years, but in setting up the framework that will enable Reclamation to succeed many years into the future.

John left a tremendous legacy at work and in his family. He devoted his time in retirement to his family and his volunteer efforts with Angel Flight and other humanitarian efforts. He was a remarkable man who did remarkable things for the country and region he cared about so deeply. My thoughts and prayers are with his family and friends at this very difficult time.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his 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 which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 2:07 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1333. An act to direct the Comptroller General of the United States to conduct a study on the use of Civil Air Patrol personnel and resources to support homeland security missions, and for other purposes.

H.R. 2631. An act to strengthen efforts in the Department of Homeland Security to develop nuclear forensics capabilities to permit attribution of the source of nuclear material, and for other purposes.

H.R. 2964. An act to amend the Lacey Act Amendments of 1981 to treat nonhuman primates as prohibited wildlife species under that Act, to make corrections in the provisions relating to captive wildlife offenses under that Act, and for other purposes.

H.R. 3702. An act to direct the Secretary of Agriculture to convey certain land in the Beaverhead-Deerlodge National Forest, Montana, to Jefferson County, Montana, for use as a cemetery.

H.R. 4179. An act to amend the Homeland Security Act of 2002 to establish an appeal and redress process for individuals wrongly delayed or prohibited from boarding a flight, or denied a right, benefit, or privilege, and for other purposes.

H.R. 4749. An act to amend the Homeland Security Act of 2002 to establish the Office for Bombing Prevention, to address terrorist explosive threats, and for other purposes.

H.R. 5680. An act to amend certain laws relating to Native Americans, and for other purposes.

H.R. 5909. An act to amend the Aviation and Transportation Security Act to prohibit advance notice to certain individuals, including security screeners, of covert testing of security screening procedures for the purposes of enhancing transportation security at airports, and for other purposes.

H.R. 5982. An act to direct the Secretary of Homeland Security, for purposes of transportation security, to conduct a study on how airports can transition to uniform, standards-based, and interoperable biometric identifier systems for airport workers with unescorted access to secure or sterile areas of an airport, and for other purposes.

H.R. 6276. An act to repeal section 9(k) of the United States Housing Act of 1937.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1333. An Act to direct the Comptroller General of the United States to conduct a study on the use of Civil Air Patrol personnel and resources to support homeland security missions, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

H.R. 2631. An Act to strengthen efforts in the Department of Homeland Security to develop nuclear forensics capabilities to permit attribution of the source of nuclear material, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

H.R. 4179. An Act to amend the Homeland Security Act of 2002 to establish an appeal and redress process for individuals wrongly delayed or prohibited from boarding a flight, or denied a right, benefit, or privilege, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4749. An act to amend the Homeland Security Act of 2002 to establish the Office for Bombing Prevention, to address terrorist explosive threats, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

H.R. 5680. An Act to amend certain laws relating to Native Americans, and for other purposes; to the Committee on Indian Affairs.

H.R. 5909. An act to amend the Aviation and Transportation Security Act to prohibit advance notice to certain individuals, including security screeners, of covert testing of security screening procedures for the purpose of enhancing transportation security at airports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5982. An act to direct the Secretary of Homeland Security, for purposes of transportation security, to conduct a study on how airports can transition to uniform, standards-based, and interoperable biometric identifier systems for airport workers with unescorted access to secure or sterile areas of an airport, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 6276. An act to repeal section 9(k) of the United States Housing Act of 1937; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3702. An act to direct the Secretary of Agriculture to convey certain land in the Beaverhead-Deerlodge National Forest, Montana, to Jefferson County, Montana, for use as a cemetery.

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–6687. A communication from the Administrator, Dairy Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Dairy Product Mandatory Reporting'' (Docket No. DA–06–07) received on June 17, 2008; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6688. A communication from the Deputy Under Secretary of Defense, transmitting, pursuant to law, a report relative to surcharges for fiscal years 2005 and 2006; to the Committee on Armed Services.

EC–6689. A communication from the Deputy Under Secretary of Defense, transmitting, pursuant to law, a report relative to the Department's purchases from foreign entities in Fiscal Year 2007; to the Committee on Armed Services.

EC–6690. A communication from Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations'' (73 FR 31944) received on June 18, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–6691. A communication from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting, pursuant to law, the report of a rule entitled ''Deposit Insurance Requirements After Certain Conversions; Definition of 'Corporate Reorganization'; Optional Conversions; Additional Grounds for Disapproval of Changes in Control; and Disclosure of Certain Supervisory Information'' (RIN3064–AD25) received on June 18, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–6692. A communication from the Assistant Director for Policy, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Republication of Appendix A to 31 CFR Chapter V'' received on June 18, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–6693. A communication from the Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule Regulatory Amendment to Modify Requirements for Individual Fishing Quota Program On-line Access Security'' (RIN0648–AV71) received on June 13, 2008; to the Committee on Commerce, Science, and Transportation.

EC–6694. A communication from the Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Correction to the 2008 Summer Flounder, Scup, and Black Sea Bass Recreational Management Measures'' (RIN0648–AV41) received on June 13, 2008; to the Committee on Commerce, Science, and Transportation.

EC–6695. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, its FAIR Act 2007 Commercial Activities Inventory, FAIR Act 2007 Inherently Government Inventory, and FAIR Act Inventory Executive Summary; to the Committee on Commerce, Science, and Transportation.

EC–6696. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report from the Army Corps of Engineers on the Chicago Underflow Plan; to the Committee on Environment and Public Works.

EC–6697. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Disposition of Investment in the United States Real Property'' (Rev. Rul. 2008–31) received on June 13, 2008; to the Committee on Finance.

EC–6698. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Definition of 'Outside Director' Under Internal Revenue Code 162(m)'' (Revenue Ruling 2008–32) received on June 13, 2008; to the Committee on Finance.

EC–6699. A communication from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medical Devices; Hearing Aids; Technical Data Amendments'' (Docket No. FDA–2008–N–0148) received on June 13, 2008; to the Committee on Health, Education, Labor, and Pensions.

EC–6700. A communication from the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, a report on the Department of Labor's 2007 FAIR Act Inventory of Inherently Governmental Activities and Inventory of Commercial Activities; to the Committee on Health, Education, Labor, and Pensions.

EC–6701. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2007, through March 31, 2008; to the Committee on Homeland Security and Governmental Affairs.

EC–6702. A communication from the Director, Office of National Drug Control Policy, Executive Office of the President, transmitting, pursuant to law, a report entitled ''Fiscal Year 2007 Accounting of Drug Control Funds''; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–395. A collection of petitions forwarded by the Benefit Security Coalition relative to establishing a more equitable method of computing cost of living adjustments for Social Security benefits; to the Committee on Finance.

POM–396. A resolution adopted by the House of Representatives of the State of Michigan urging Congress to enact legislation to reform the No Child Left Behind Act; to the Committee on Health, Education, Labor, and Pensions.

HOUSE RESOLUTION NO. 268

Whereas, the No Child Left Behind Act (NCLB) is an ambitious effort by the Federal Government to ensure that all States improve K–12 education opportunities. While standards, accountability, and benchmarks are key features of this landmark 2002 legislation, the goal of making sure all of our children receive a quality education must not be forgotten. The current reauthorization process for NCLB is an opportunity to reform the act to ensure that no child is left behind in this Federal, State, and school partnership; and

Whereas, NCLB needs to be amended in a number of areas to fulfill its admirable goal. First, while schools are being identified for failing to meet standards, Congress has not met its promises for funding levels to allow schools to correct identified inadequacies. Further, a whole range of initiatives that expand early education, before- and after-school programs, summer school options, and family support, would enhance the ability of our schools to educate all of our children to their full potential; and

Whereas, schools also need flexibility in a whole range of areas. Special education implementation, teacher subject area competency, school benchmarks, and student cohort definitions must not be imposed from Washington, D.C. Local educators and State legislatures must be allowed to refine these aspects of NCLB to reflect local conditions and needs. Flexibility and more sophisticated measurements will keep the focus on educating children and not meeting unrealistic and rigid standards; and

Whereas, the entire sanctions concept must be revised. It may be comforting to think that NCLB sanctions ''schools'' when they do not meet NCLB-established standards, but in reality we sanction children in those schools by withholding or effectively diverting resources from those schools. The first response must be to target additional resources to correct recognized deficiencies; and

Whereas, to support effective intervention in failing schools, develop proper standards that promote education of all children, and ensure relevant definitions and procedures that reflect real conditions, NCLB must be amended to ensure that the act's assumptions and standards are based on sound research in student achievement and effective teaching; and

Whereas, the reauthorization of the No Child Left Behind Act is an opportunity to refine the admirable goals of the act based on five years of experience in implementing the 2002 initiative. We have much to do before ''no child left behind'' is more than just a goal: Now, therefore, be it

Resolved by the House of Representatives, That we memorialize the United States Congress to enact legislation to reform the No Child Left Behind Act; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–397. A resolution adopted by the Senate of the State of Michigan urging Congress to enact the Youth Prison Reduction through Opportunities, Mentoring, Intervention, Support, and Education Act; to the Committee on the Judiciary.

SENATE RESOLUTION NO. 155

Whereas, among the most effective approaches to reducing juvenile delinquency and criminal street gang activity are those preventing children from turning to crime in the first place, encouraging early childhood home visitation, parental love and education, quality schooling, and proven youth and family development initiatives; and

Whereas, there are many alternatives to incarcerating youth that have been proven to be more effective in reducing crime and violence at the national, state, local, and tribal levels. Failure to provide for such effective alternatives is a pervasive problem that leads to increased youth, and later adult, crime and violence; and

Whereas, research funded by the U.S. Department of Justice indicates that gang membership is short-lived among adolescents—with very few youth remaining gang-involved through their adolescent years, and therefore, allowing ongoing opportunities for intervention; and

Whereas, over-reliance on incarceration and confinement of youth, particularly in the early stages of delinquent behavior and for nonviolent delinquent behavior, has been shown to increase long-term crime risks; and

Whereas, the Youth PROMISE Act will provide resources to enable communities with the greatest concentration of juvenile delinquency and criminal street gang activity to come together to assess unmet needs and implement research-based prevention and intervention approaches to promote youth success and community safety; and

Whereas, the Youth PROMISE Act creates a PROMISE Advisory panel, which will help the Office of Juvenile Justice and Delinquency Prevention select PROMISE communities. It will also develop standards for the evaluation of juvenile delinquency and criminal street gang activity prevention and street gang activity prevention and intervention needs and resources in each designated geographic area in order to facilitate the strategic geographic allocation of resources provided under the act; and

Whereas, the Youth PROMISE Act establishes grants to enable local and tribal communities, via PROMISE Coordinating Councils, to conduct an objective assessment regarding juvenile delinquency and criminal street gang activity, resource needs, and community strengths necessary to effectively address juvenile delinquency and criminal street gang activity. Based upon the assessment, the PROMISE Councils will develop plans that include a broad array of

prevention and intervention programs which are responsive to the specifics of the community, account for the cultural and linguistic requirements of the community, and utilize approaches that have been shown effective in reducing the likelihood of a young person becoming involved in or continuing delinquent conduct or criminal street gang activity. Upon completion of the plan, the PROMISE Councils may then apply for federal funds to assist with implementation. The act also provides for national evaluations of PROMISE programs and activities, and

Whereas, the Youth PROMISE Act requires that local units of government or Indian tribes receiving grants shall provide from nonfederal funds, in cash or in-kind, 25 percent of the costs of the activities carried out with such grants; and

Wheereas, the Youth PROMISE Act establishes a National Center for Proven Practices Research, which will collect and disseminate research to PROMISE Councils and to the public (including via an Internet website), as well as other information regarding evidence-based promising practices related to juvenile delinquency and criminal street gang activity prevention and intervention. The act also provides the opportunity for regional research partners to assist with developing their assessments and plans; and

Whereas, the Youth PROMISE Act provides for the hiring and training of Youth-Oriented Policing officers to implement strategic activities to minimize youth crime and victimization and reduce the long-tern involvement of juveniles in illicit activities, juvenile delinquency, and criminal street gang activity. The act also establishes a Center for Youth-Oriented Policing, which will be responsible for identification, development, and dissemination to law enforcement agencies the best practices for Youth-Oriented Policing techniques and technologies; and

Whereas, the Youth PROMISE Act provides additional improvements to current laws affecting juvenile delinquency and criminal street gang activity, including support for youth victim and witness protection programs and extended and increased authorizations for the juvenile Accountability Block Grant program: Now, therefore, be it

Resolved by the Senate, That we memorialize the United States Congress to support through enactment the Youth PROMISE Act; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–398. A resolution adopted by the House of Representatives of the State of Hawaii urging the President of the United States to include the Republic of Korea in the Visa Waiver Program; to the Committee on the Judiciary.

HOUSE RESOLUTION NO. 86

Whereas, there are nearly two million Americans of Korean heritage and descent who live in the United States, including forty thousand Hawaii residents, and January 13, 2003 marked the centennial of the first arrival of Koreans in the United States; and

Whereas, the United States and the Republic of Korea have a long history of friendship, and continue to strengthen alliances and business partnerships; and

Whereas, the Republic of Korea has been a trusted ally for over fifty years, is a major trading partner of the United States, and is the thirteenth largest economy in the world; and

Whereas, visitors from the Republic of Korea to the United States reached as high as 500,000 in 1999, inclusive of the 40,000 visitors to Hawaii that same year; and

Whereas, the Visa Waiver Program was established in 1986 with the objective of promoting better relations with United States allies, eliminating unnecessary barriers to travel, and stimulating the tourism industry; and

Whereas, the Visa Waiver Program enables nationals of twenty-seven countries to travel to the United States for tourism or business for stays of ninety days or less without obtaining a visa; the Republic of Korea is not a participant in the Visa Waiver Program; and

Whereas, due to increased security prompted by the terrorist acts of September 11, 2001, it has become much more difficult for the citizens of the Republic of Korea, especially those living outside the capital city of Seoul, to obtain visitor visas that allow travel to the United States; and

Whereas, under Implementing Recommendations of the 9/11 Commission Act of 2007, the United States Congress revised requirements for countries to become eligible for the Visa Waiver Program, enabling South Korea to be eligible for consideration, provided it meets the new security requirements specified in the Act; and

Whereas, in a letter to the Secretary of State dated July 7, 2006, United States Senators Daniel K. Inouye and Daniel K. Akaka, along with several other senators, expressed strong support for including South Korea into the Visa Waiver Program and noted that South Korea has repealed its visa requirement for United States citizens traveling to the Republic of Korea for thirty days or less and that South Korea enjoys a visa-free status with sixty-six other nations; and

Whereas, including South Korea in the Visa Waiver Program would result in economic benefits to the United States estimated to be $350,000,000 in actualized tourism revenues for every 100,000 tourists increase in South Korean visitors and tourists, based on visitors and tourists to the United States from South Korea spending of nearly $2,200,000,000 in 2004; and

Whereas, while the Republic of Korea is doing its part to facilitate the processing of travel requirements for its citizens, the United States should also encourage visitors from the Republic of Korea, especially as Hawaii continues to be one of the premier destinations in the world and tourism remains the backbone of Hawaii's economy: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, That the President of the United States, the Secretary of State, and the Secretary of Homeland Security are urged to take all steps necessary to include the Republic of Korea in the Visa Waiver Program; and be it further

Resolved, That the members of Hawaii's congressional delegation are urged to support the inclusion of the Republic of Korea in the Visa Waiver Program; and be it further

Resolved, That certified copies of this Resolution be transmitted to the President of the United States, the Secretary of State, the Secretary for Homeland Security, President of the United States Senate, the Speaker of the United States House of Representatives, the members of Hawaii's congressional delegation, and the Governor.

POM–399. A joint resolution adopted by the House of Representatives of the State of Arizona urging Congress to authorize the placement in Statuary Hall of a statue of Senator Barry Goldwater; to the Committee on Rules and Administration.

HOUSE JOINT RESOLUTION 2001

Whereas, in 1864, Congress established the National Statuary Hall in the Old Hall of the House of Representatives in the United States Capitol and authorized each state to contribute to the Hall two statues that represent important historical figures of that state; and

Whereas, Arizona currently has statues on display in Statuary Hall of John Campbell Greenway, which was donated in 1930, and Father Eusebio Kino, which was added later in 1965. These are two acclaimed and distinguished individuals of great importance in Arizona's history; and

Whereas, John C. Greenway was born in Huntsville, Alabama, on July 6, 1872, and attended Yale University where he was a star athlete. After school, he went to work for U.S. Steel, where he worked his way up to a management role. He joined the Rough Riders in the Spanish American War, and was a leader of the charge up San Juan Hill. After the war, Greenway helped U.S. Steel open the Western Mesabi Range. In 1910, Greenway moved from Minnesota to Arizona to manage the copper mines at Bisbee. Seeing the potential of the copper deposits at Ajo, he developed a method of extracting low grade ore. Greenway planned and built the city of Ajo. The mine was highly successful, and over three billion pounds of copper were shipped from Ajo. Greenway also served as a regent for the University of Arizona. John C. Greenway died on January 19, 1926. His death at the age of 54 was mourned across the country; and

Whereas, legislation enacted by Congress in 2000 authorized any state to request the Joint Committee on the Library of Congress to approve the replacement of a statue the state has provided for display in Statuary Hall under certain conditions; and

Whereas, the state of Arizona will celebrate its centennial on February 14, 2012, it is appropriate at this time to consider honoring a distinguished Arizonan who has played a significant role in our state's history since statehood by placing his statue in Statuary Hall, namely Senator Barry Goldwater, This action in no way seeks to diminish the positive contributions of the two Arizonans already honored in Statuary Hall, and every effort will be made to ensure that their legacy is preserved in our great state; and

Whereas, it is appropriate that we honor John C. Greenway's legacy by placing his statue prominently and permanently in the Arizona State Capitol building as part of the centennial; and

Whereas, Barry Morris Goldwater was born in Phoenix on New Year's Day, 1909, three years before Arizona was admitted to the Union. He attended the University of Arizona and took over his family's. mercantile business after his father's death in 1930. He transformed his passion for flying into service in the Army Air Corps during World War II, and on his return to Arizona following the war he helped organize the Arizona Air National Guard. Remaining in the reserves after the war, he retired with the rank of Major General; and

Whereas, Goldwater entered politics in 1949 when he was elected as a Phoenix city councilman. He first won a United States Senate seat in 1952, when he defeated then Senate majority leader Ernest McFarland. In 1964 Senator Goldwater was the Republican nominee for president. Although defeated in that race, Goldwater became an icon for conservatism, starting a movement which many believe led to the election of Ronald Reagan as president in 1980; and

Whereas, Senator Goldwater was reelected to the Senate in 1968 where he served until his retirement in 1987. During his time in the Senate, Goldwater served as Chairman of the Senate Intelligence Committee and Chairman of the Senate Armed Services Committee; and

Whereas, Barry Goldwater was a quintessential westerner and a man of great personal charm. His reputation for personal integrity was unblemished. Throughout his life, Barry Goldwater had a love affair with the state of Arizona and her people. He extensively explored areas throughout the state, including the Grand Canyon and the Colorado River, and he loved to photograph the people and landscapes of Arizona. He was a dear friend to the members of the Arizona's Native American tribes. He served both rural and urban constituents with equal passion, and his many years of faithful service to this state earned him the fitting' nickname ''Mr. Arizona''; and

Whereas, the legacy of Senator Barry Goldwater since his death in 1998 has been a source of inspiration to many, and the placement of a statue in his likeness in Statuary Hall would be a well-deserved and lasting testament to Barry Goldwater's tremendous impact on both our state and nation: Now therefore be it

Resolved by the Legislature. of the State of Arizona:

1. That the Members of the Forty-eighth Legislature and the Governor of the State of Arizona respectfully request that the Congress of the United States return the statue of John Campbell Greenway earlier presented by the State of Arizona for placement in Statuary Hall and accept in return, for placement in 'Statuary Hall, a statue of Senator Barry. Goldwater.

2. That the Members of the Forty-eighth Legislature and the Governor of the State of Arizona direct the Arizona Historical Advisory Commission to organize a solicitation for monies for the creation of a statue of Senator Barry Goldwater; to use the monies to acquire a statue for placement in Statuary Hall in the Capitol of this nation; to select and contract with a gifted and experienced sculptor to create a suitable statue of Senator Barry Goldwater; and to make the statue available for placement in Statuary Hall.

3. That the Members of the Forty-eighth Legislature and the Governor of the State of Arizona direct that the costs of the creation of the statue of Senator Barry Goldwater, as well as the costs of transporting the statue to Washington, D.C. and any incidental costs, be borne by the State of Arizona through the use of private monies.

4. That the Secretary of State transmit copies of this Resolution to the President of the United States Senate. the Speaker of the United States House of Representatives, each Member of Congress from the State of Arizona, each Member of the Joint Committee on the Library of Congress and each Member of the Arizona Historical Advisory Commission.

POM–400. A resolution adopted by the House of Representatives of the State of Michigan urging Congress to pass the Post-9/11 Veterans Educational Assistance Act; to the Committee on Veterans' Affairs.

HOUSE RESOLUTION NO. 372

Whereas, In 1944, the Congress of the United States passed, and President Roosevelt signed, the Servicemen's Readjustment Act, known to most people as the GI Bill of Rights. Since its establishment, the GI Bill has created educational opportunities for millions of veterans; and

Whereas, Since the terrorist attacks of September 11, 2001, members of the United States military have been asked to perform heroic tasks in the name of freedom. These selfless volunteers have performed with remarkable valor, and it is incumbent on citizens of the United States to honor their service in any way possible; and

Whereas, The cost of attending college has increased greatly in recent years, and as a result the benefits provided by the G1 Bill are no longer sufficient to cover the average cost of tuition; and

Whereas, Since 1944, Congress has periodically updated the GI Bill to reflect the changing needs of our soldiers and the military as a whole. However, despite the changes of the past decades, it has been 24 years since the law was significantly reformed; and

Whereas, Improving and updating the GI bill would create an additional incentive for individuals considering enlistment, which is vital given the all-volunteer nature of our military; and

Whereas, Two pieces of legislation currently before Congress, S. 22 and H. R. 2702, would update the GI Bill to reflect the current realities facing our servicemembers. These bills, known as the Post 9/11 Veterans Educational Assistance Act, would increase the amount of aid available to these students, and would otherwise remove obstacles to obtaining a college education. While not perfect, these bills represent a significant improvement over the current system; and

Whereas, Those who would complain about the costs of such a program seem to forget the staggering price we ask of these men and women. Likewise, those who complain that these bills would create an incentive to leave the military underestimate the dedication and devotion of our troops: Now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to enact, and the President of the United States to sign, S. 22 and H. R. 2702; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Appropriations:

Special Report entitled ''Allocation to Subcommittees of Budget Totals From the Concurrent Resolution, Fiscal Year 2008'' (Rept. No. 110–392).

By Mr. BYRD, from the Committee on Appropriations:

Special Report entitled ''Allocation to Subcommittees of Budget Totals From the Concurrent Resolution, Fiscal Year 2009'' (Rept. No. 110–393).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. REID (for Mr. KENNEDY (for himself and Mr. KERRY)):

S. 3158. A bill to extend the authority for the Cape Cod National Seashore Advisory Commission; to the Committee on Energy and Natural Resources.

By Mr. COBURN (for himself, Mr. MCCAIN, Mr. KYL, Mrs. HUTCHISON, Mr. CORNYN, Mr. ENSIGN, Mr. DEMINT, Mr. CHAMBLISS, Mr. INHOFE, Mr. CRAPO, Mr. ENZI, Mr. ALLARD, Mr. GRAHAM, Mr. BURR, Mrs. DOLE, Mr. SUNUNU, Mr. THUNE, Mr. VITTER, Mr. BROWNBACK, Mr. BARRASSO, Mr. WICKER, Mr. SESSIONS, and Mr. GRASSLEY):

S. 3159. A bill to require Congress to specify the source of authority under the United States Constitution for the enactment of laws, and for other purposes; to the Committee on the Judiciary.

By Mr. INOUYE (for himself, Mr. STEVENS, Ms. CANTWELL, Ms. SNOWE, and Mr. KERRY):

S. 3160. A bill to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MARTINEZ:

S. 3161. A bill to name the Department of Veterans Affairs spinal cord injury center in Tampa, Florida, as the ''Michael Bilirakis Department of Veterans Affairs Spinal Cord Injury Center''; to the Committee on Veterans' Affairs.

By Mr. VOINOVICH:

S. 3162. A bill to amend the Internal Revenue Code of 1986 to provide relief to improve the competitiveness of United States corporations and small businesses, to eliminate tax incentives to move jobs and profits overseas, and for other purposes; to the Committee on Finance.

By Mr. FEINGOLD (for himself and Mr. CASEY):

S. 3163. A bill to provide for a Federal employees program to authorize the use of leave by caregivers for family members of certain individuals performing military service, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. MARTINEZ (for himself and Mr. CORNYN):

S. 3164. A bill to amend tile XVIII of the Social Security Act to reduce fraud under the Medicare program; to the Committee on Finance.

By Mr. SCHUMER:

S. 3165. A bill to develop a plan to share military and special use airspace along the eastern seaboard with commercial air traffic, to provide adequate resources for the FAA New York Integration Office, to establish an Aviation Traveler Task Force, and to design a notification system to alert passengers of potential service disruptions; to the Committee on Commerce, Science, and Transportation.

By Mr. SESSIONS (for himself, Mr. DURBIN, Mr. COBURN, and Mr. CORNYN):

S. 3166. A bill to amend the Immigration and Nationality Act to impose criminal penalties on individuals who assist aliens who have engaged in genocide, torture, or extrajudicial killings to enter the United States; to the Committee on the Judiciary.

By Mr. BURR (for himself, Mr. WICKER, Mr. CRAIG, and Mr. VITTER):

S. 3167. A bill to amend title 38, United States Code, to clarify the conditions under which veterans, their surviving spouses, and their children may be treated as adjudicated mentally incompetent for certain purposes; to the Committee on Veterans' Affairs.

By Mr. BIDEN (for himself and Mr. LUGAR):

S. 3168. A bill to authorize United States participation in the replenishment of resources of the International Development Association, and for other purposes; to the Committee on Foreign Relations.

By Mr. BIDEN (for himself and Mr. LUGAR):

S. 3169. A bill to authorize United States participation in, and appropriations for the United States contribution to, the eleventh replenishment of the resources of the African Development Fund; to the Committee on Foreign Relations.

By Ms. SNOWE (for herself, Mr. DODD, and Mr. KERRY):

S. 3170. A bill to amend the Energy Policy and Conservation Act to modify the conditions for the release of products from the Northeast Home Heating Oil Reserve Account, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BARRASSO:

S. 3171. A bill to amend the Internal Revenue Code of 1986 to exclude certain tax-exempt financing of energy transportation infrastructure from the private business use tests, and for other purposes; to the Committee on Finance.

By Mr. VITTER:

S. 3172. A bill to provide conditions for funds made available for certain projects located in the State of Louisiana, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KERRY (for himself, Mr. KENNEDY, Mr. REED, Mr. LIEBERMAN, Mr. DODD, Mr. SUNUNU, Mr. LEAHY, Mr. WHITEHOUSE, and Mr. GREGG):

S. Res. 596. A resolution congratulating the Boston Celtics on winning the 2008 National Basketball Association Championships; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 613

At the request of Mr. LUGAR, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 613, a bill to enhance the overseas stabilization and reconstruction capabilities of the United States Government, and for other purposes.

S. 803

At the request of Mr. ROCKEFELLER, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 803, a bill to repeal a provision enacted to end Federal matching of State spending of child support incentive payments.

S. 809

At the request of Mr. SUNUNU, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 809, a bill to amend the United States Housing Act of 1937 to exempt qualified public housing agencies from the requirement of preparing an annual public housing agency plan.

S. 901

At the request of Mr. ALEXANDER, his name was added as a cosponsor of S. 901, a bill to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act.

At the request of Mr. CORNYN, his name was added as a cosponsor of S. 901, supra.

S. 1003

At the request of Ms. STABENOW, the name of the Senator from Washington (Mrs. MURRAY) 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. 1311

At the request of Mr. KERRY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1311, a bill to permanently prohibit oil and gas leasing in the North Aleutian Basin Planning Area, and for other purposes.

S. 1410

At the request of Mr. COLEMAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1410, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the purchase of hearing aids.

S. 1661

At the request of Mr. DORGAN, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1661, a bill to communicate United States travel policies and improve marketing and other activities designed to increase travel in the United States from abroad.

S. 2279

At the request of Mr. BIDEN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 2279, a bill to combat international violence against women and girls.

S. 2504

At the request of Mr. NELSON of Florida, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2504, a bill to amend title 36, United States Code, to grant a Federal charter to the Military Officers Association of America, and for other purposes.

S. 2510

At the request of Ms. LANDRIEU, the name of the Senator from Missouri (Mrs. MCCASKILL) was added as a cosponsor of S. 2510, a bill to amend the Public Health Service Act to provide revised standards for quality assurance in screening and evaluation of gynecologic cytology preparations, and for other purposes.

S. 2559

At the request of Mr. DODD, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2559, a bill to amend title II of the Social Security Act to increase the level of earnings under which no individual who is blind is determined to have demonstrated an ability to engage in substantial gainful activity for purposes of determining disability.

S. 2883

At the request of Mr. ROCKEFELLER, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 2883, a bill to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the establishment of Mother's Day.

S. 2907

At the request of Mr. INOUYE, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2907, a bill to establish uniform administrative and enforcement procedures and penalties for the enforcement of the High Seas Driftnet Fishing Moratorium Protection Act and similar statutes, and for other purposes.

S. 2920

At the request of Mr. KERRY, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 2920, a bill to reauthorize and improve the financing and entrepreneurial development programs of the Small Business Administration, and for other purposes.

S. 2932

At the request of Mrs. MURRAY, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 2932, a bill to amend the Public Health Service Act to reauthorize the poison center national toll-free number, national media campaign, and grant program to provide assistance for poison prevention, sustain the funding of poison centers, and enhance the public health of people of the United States.

S. 3038

At the request of Mr. GRASSLEY, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 3038, a bill to amend part E of title IV of the Social Security Act to extend the adoption incentives program, to authorize States to establish a relative guardianship program, to promote the adoption of children with special needs, and for other purposes.

S. 3130

At the request of Mr. DURBIN, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 3130, a bill to provide energy price relief by authorizing greater resources and authority for the Commodity Futures Trading Commission, and for other purposes.

S. 3133

At the request of Mr. DODD, the names of the Senator from Illinois (Mr. OBAMA), the Senator from Maryland (Ms. MIKULSKI) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 3133, a bill to direct the Secretary of the Interior to establish an annual production incentive fee with respect to Federal onshore and offshore land that is subject to a lease for production of oil or natural gas under which production is not occurring, to authorize use of the fee for energy efficiency and renewable energy projects, and for other purposes.

S. 3140

At the request of Mr. WEBB, the name of the Senator from Missouri (Mrs.

MCCASKILL) was added as a cosponsor of S. 3140, a bill to provide that 4 of the 12 weeks of parental leave made available to a Federal employee shall be paid leave, and for other purposes.

S. 3144

At the request of Mr. BAUCUS, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 3144, a bill to amend part B of title XVIII of the Social Security Act to delay and reform the Medicare competitive acquisition program for purchase of durable medical equipment, prosthetics, orthotics, and supplies.

S.J. RES. 41

At the request of Mr. MCCONNELL, the names of the Senator from Oklahoma (Mr. COBURN), the Senator from Mississippi (Mr. COCHRAN) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S.J. Res. 41, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

S. RES. 440

At the request of Mr. BROWN, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Colorado (Mr. SALAZAR), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from North Dakota (Mr. CONRAD) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. Res. 440, a resolution recognizing soil as an essential natural resource, and soils professionals as playing a critical role in managing our Nation's soil resources.

S. RES. 584

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. Res. 584, a resolution recognizing the historical significance of Juneteenth Independence Day and expressing the sense of the Senate that history should be regarded as a means for understanding the past and solving the challenges of the future.

At the request of Mr. DURBIN, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. Res. 584, supra.

AMENDMENT NO. 4979

At the request of Mr. NELSON of Florida, the names of the Senator from New York (Mrs. CLINTON), the Senator from North Dakota (Mr. DORGAN), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Arkansas (Mr. PRYOR), the Senator from Oregon (Mr. SMITH) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of amendment No. 4979 intended to be proposed to S. 3001, an original bill to authorize appropriations for fiscal year 2009 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.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE (for himself, Mr. STEVENS, Ms. CANTWELL, Ms. SNOWE, and Mr. KERRY):

S. 3160. A bill to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. INOUYE. 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 order to be printed in the RECORD, as follows:

S. 3160

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 ''National Sea Grant College Program Amendments Act of 2008''.

SEC. 2. REFERENCES

Except as otherwise expressly provided therein, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the National Sea Grant College Program Act (33 U.S.C. 1121 et seq.).

SEC. 3. FINDINGS AND PURPOSE.

(a) FINDINGS.—Section 202(a) (33 U.S.C. 1121(a)) is amended—

(1) by striking subparagraphs (D) and (E) of paragraph (1) and inserting the following:

''(D) encourage the development of preparation, forecast, analysis, mitigation, response, and recovery systems for coastal hazards;

''(E) understand global environmental processes and their impacts on ocean, coastal, and Great Lakes resources; and'';

(2) by striking ''program of research, education,'' in paragraph (2) and inserting ''program of integrated research, education, extension,''; and

(3) by striking paragraph (6) and inserting the following:

''(6) The National Oceanic and Atmospheric Administration, through the national sea grant college program, offers the most suitable locus and means for such commitment and engagement through the promotion of activities that will result in greater such understanding, assessment, development, management, and conservation of ocean, coastal, and Great Lakes resources. The most cost-effective way to promote such activities is through continued and increased Federal support of the establishment, development, and operation of programs and projects by sea grant colleges, sea grant institutes, and other institutions, including strong collaborations between Administration scientists and research and outreach personnel at academic institutions.''.

(b) PURPOSE.—Section 202(c) (33 U.S.C. 1121(c)) is amended by striking ''to promote research, education, training, and advisory service activities'' and inserting ''to promote integrated research, education, training, and extension services and activities''.

(c) TERMINOLOGY.—Subsections (a) and (b) of section 202 (15 U.S.C. 1121(a) and (b)) are amended by striking ''utilization,'' each place it appears and inserting ''management,''.

SEC. 4. DEFINITIONS.

Section 203 (33 U.S.C. 1122) is amended—

(1) in paragraph (4) by striking ''utilization,'' and inserting ''management,'';

(2) in paragraph (11) by striking ''advisory services'' and inserting ''extension services'';

(3) in each of paragraphs (12) and (13) by striking ''(33 U.S.C. 1126)''; and

(4) by adding at the end the following:

''(17) The term 'regional research and information plan' means a plan developed by one or more sea grant colleges or sea grant institutes that identifies regional priorities.''.

SEC. 5. NATIONAL SEA GRANT COLLEGE PROGRAM.

(a) PROGRAM ELEMENTS.—Section 204(b) (33 U.S.C. 1123(b)) is amended—

(1) by amending in paragraph (1) to read as follows:

''(1) sea grant programs that comprise a national sea grant college program network, including international projects conducted within such programs and regional and national projects conducted among such programs;'';

(2) by amending paragraph (2) to read as follows:

''(2) administration of the national sea grant college program and this title by the national sea grant office and the Administration;''; and

(3) by amending paragraph (4) to read as follows:

''(4) any regional or national strategic investments in fields relating to ocean, coastal, and Great Lakes resources developed in consultation with the Board and with the approval of the sea grant colleges and the sea grant institutes.''.

(b) TECHNICAL CORRECTION.—Section 204(c)(2) (33 U.S.C. 1123(c)(2)) is amended by striking ''Within 6 months of the date of enactment of the National Sea Grant College Program Reauthorization Act of 1998, the'' and inserting ''The''.

(c) FUNCTIONS OF DIRECTOR OF NATIONAL SEA GRANT COLLEGE PROGRAM.—Section 204(d) (33 U.S.C. 1123(d)) is amended—

(1) in paragraph (2)(A), by striking ''long range'';

(2) in paragraph (3)(A)—

(A) by striking ''(A)(i) evaluate'' and inserting ''(A) evaluate and assess'';

(B) by striking ''activities; and'' and inserting ''activities;''; and

(C) by striking clause (ii); and

(3) in paragraph (3)(B)—

(A) by redesignating clauses (ii) through (iv) as clauses (iii) through (v), respectively, and by inserting after clause (i) the following:

''(ii) encourage collaborations among sea grant colleges and sea grant institutes to address regional and national priorities established under subsection (c)(1);''; and

(B) in clause (iii) (as so redesignated) by striking ''encourage'' and inserting ''ensure''.

SEC. 6. PROGRAM OR PROJECT GRANTS AND CONTRACTS.

Section 205 (33 U.S.C. 1124) is amended—

(1) by striking ''States or regions.'' in subsection (a)(2) and inserting ''States, regions, or the Nation.''; and

(2) by striking the matter following paragraph (3) in subsection (b) and inserting the following:

''The total amount that may be provided for grants under this subsection and subsection 208(b) during any fiscal year shall not exceed an amount equal to 5 percent of the total funds appropriated for such year under section 212.''.

SEC. 7. EXTENSION SERVICES BY SEA GRANT COLLEGES AND SEA GRANT INSTITUTES.

Section 207(a) (33 U.S.C. 1126(a)) is amended in each of paragraphs (2)(B) and (3)(B) by striking ''advisory services'' and inserting ''extension services''.

SEC. 8. FELLOWSHIPS.

Section 208(a) (33 U.S.C. 1127) is amended—

(1) by striking ''Not later than 1 year after the date of the enactment of the National Sea Grant College Program Act Amendments of 2002, and every 2 years thereafter,'' in subsection (a) and inserting ''Every 2 years,''; and

(2) by striking ''year.'' in subsection (b) and inserting ''year and is not subject to Federal cost share requirements''.

SEC. 9. NATIONAL SEA GRANT ADVISORY BOARD.

(a) REDESIGNATION OF SEA GRANT REVIEW PANEL AS BOARD.—

(1) REDESIGNATION.—The sea grant review panel established by section 209 of the National Sea Grant College Program Act (33 U.S.C. 1128), as in effect before the date of the enactment of this Act, is redesignated as the National Sea Grant Advisory Board.

(2) MEMBERSHIP NOT AFFECTED.—An individual serving as a member of the sea grant review panel immediately before the enactment of this Act may continue to serve as a member of the National Sea Grant Advisory Board until the expiration of such member's term under section 209(c) of such Act (33 U.S.C. 1128(c).

(3) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to such sea grant review panel is deemed to be a reference to the National Sea Grant Advisory Board.

(4) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 209 (33 U.S.C. 1128) is amended by striking so much as precedes subsection (b) and inserting the following:

''SEC. 209. NATIONAL SEA GRANT ADVISORY BOARD.

''(a) ESTABLISHMENT.—There shall be an independent committee to be known as the National Sea Grant Advisory Board.''.

(B) DEFINITION.—Section 203(9) (33 U.S.C. 1122(9)) is amended to read as follows:

''(9) The term 'Board' means the National Sea Grant Advisory Board established under section 209.'';

(C) OTHER PROVISIONS.—The following provisions are each amended by striking ''panel'' each place it appears and inserting ''Board'':

(i) Section 204 (33 U.S.C. 1123).

(ii) Section 207 (33 U.S.C. 1126).

(iii) Section 209 (33 U.S.C. 1128).

(b) DUTIES.—Section 209(b) (33 U.S.C. 1128(b)) is amended to read as follows:

''(b) DUTIES.—

''(1) IN GENERAL.—The Board shall advise the Secretary and the Director concerning—

''(A) strategies for utilizing the sea grant college program to address the Nation's highest priorities regarding the understanding, assessment, development, management, and conservation of ocean, coastal, and Great Lakes resources;

''(B) the designation of sea grant colleges and sea grant institutes; and

''(C) such other matters as the Secretary refers to the Board for review and advice.

''(2) BIENNIAL REPORT.—The Board shall report to the Congress every two years on the state of the national sea grant college program. The Board shall indicate in each such report the progress made toward meeting the priorities identified in the strategic plan in effect under section 204(c). The Secretary shall make available to the Board such information, personnel, and administrative services and assistance as it may reasonably require to carry out its duties under this title.''.

(c) MEMBERSHIP, TERMS, AND POWERS.—Section 209(c)(1) (33 U.S.C. 1128(c)(1)) is amended—

(1) by inserting ''coastal management,'' after ''resources management,''; and

(2) by striking ''utilization,'' and inserting ''management,''.

(d) EXTENSION OF TERM.—Section 209(c)(2) (33 U.S.C. 1128(c)(2)) is amended to read as follows:

''(2) The term of office of a voting member of the Board shall be 4 years. The Director may extend the term of office of a voting member of the Board once by up to 1 year.''.

(e) ESTABLISHMENT OF SUBCOMMITTEES.—Section 209(c) (33 U.S.C. 1128(c)) is amended by adding at the end the following:

''(8) The Board may establish such subcommittees as are reasonably necessary to carry out its duties under subsection (b). Such subcommittees may include individuals who are not Board members.''.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 212 of the National Sea Grant College Program Act (33 U.S.C. 1131) is amended—

(1) by striking subsection (a)(1) and inserting the following: ''(1) IN GENERAL.—There are authorized to be appropriated to the Secretary to carry out this title—

''(A) $100,000,000 for fiscal year 2009;

''(B) $105,000,000 for fiscal year 2010;

''(C) $110,000,000 for fiscal year 2011;

''(D) $115,000,000 for fiscal year 2012;

''(E) $120,000,000 for fiscal year 2013; and

''(F) $125,000,000 for fiscal year 2014.'';

(2) in subsection (a)(2)—

(A) by striking ''biology and control of zebra mussels and other important aquatic'' in subparagraph (A) and inserting ''biology, prevention, and control of aquatic''; and

(B) by striking ''blooms, including Pfiesteria piscicida; and'' in subparagraph (C) and inserting ''blooms; and'';

(3) in subsection (c)(1) by striking ''rating under section 204(d)(3)(A)'' and inserting ''performance assessments'';

(4) by striking subsection (c)(2) and inserting the following:

''(2) regional or national strategic investments authorized under section 204(b)(4);''.

SEC. 11. REPEAL OF ANNUAL COORDINATION REPORT REQUIREMENT.

Section 9 of the National Sea Grant College Program Act Amendments of 2002 (33 U.S.C. 857-20) is repealed.

By Mr. VOINOVICH:

S. 3162. A bill to amend the Internal Revenue Code of 1986 to provide relief to improve the competitiveness of United States corporations and small businesses, to eliminate tax incentives to move jobs and profits overseas, and for other purposes; to the Committee on Finance.

MR. VOINOVICH. Mr. President, when the Senate reconvenes in January 2009 for the 111th Congress, we will have an historic opportunity, through fundamental tax reform, to transform the U.S. economy in a manner that will make our nation stronger and more prosperous for generations. A number of factors make the 111th Congress the occasion for a perfect storm for the Tax Code. At the beginning of the next Congress, a new President will take office and will be looking to enact major tax changes. At the end, the 2001 and 2003 tax relief will expire, resulting in an unprecedented tax increase on the American people. And in between, the reach of the deeply flawed alternative minimum tax—or AMT—will threaten to hit tens of millions of middle-class Americans unless Congress enacts major tax legislation. Finally, the competitive pressures of a global economy will force us to change our uncompetitive and inefficient methods of business taxation, including one of the highest corporate marginal rates in the world.

I am not proposing today a comprehensive tax reform bill that would touch every part of the Tax Code, but I am introducing legislation that addresses one large piece of tax reform, in the hopes of starting a conversation that will inform policymakers as we develop a more comprehensive reform in the next couple of years. Today, I am introducing the Manufacturing, Assembling, Development, and Export in the USA—or MADE in the USA—Tax Act. The purpose of my legislation is to provide tax relief to improve the competitiveness of U.S. corporations and small businesses and to eliminate incentives that favor foreign competition and encourage companies to move jobs and profits overseas.

A number of factors contribute to a company's decision about where to locate activity and jobs, including wages, workforce skills, transportation costs, and local regulations. But there is no doubt that taxes are an important factor. Recent economic research concludes that in a global economy, workers bear the brunt of higher corporate tax rates, through lower wages and fewer jobs. Therefore, it is imperative that we have a Tax Code that makes the United States an attractive place to locate production, research, and other activity. While the MADE in the USA Tax Act would not address the ''wage pull'' that sends jobs to places like China and India, it would deal with the ''tax push'' that encourages jobs to leave the United States.

The MADE in the USA Tax Act would eliminate tax breaks that encourage companies to move jobs overseas or that benefit foreign competitors and then use that revenue to cut tax rates on large and small businesses that invest and create jobs in the United States. The centerpiece of the legislation is a one-fifth reduction in the Federal corporate rate, to 28 percent from 35 percent. Of the 30 member countries of the Organization for Economic Cooperation and Development—which includes the major industrialized nations of North America, Europe, and Asia—the United States has the second highest combined Federal-State corporate tax rate at 39.3 percent, lower only than Japan's rate of 39.5 percent. The average is 27.6 percent, and Ireland has the lowest rate at 12.5 percent.

Even Communist China, our biggest economic rival in the 21st century, recently cut its corporate tax rate to 25 percent. It will be that much harder to compete with China for jobs and investment when businesses operating in the United States have to pay a tax rate 15 percent higher than they would have to pay in China.

In fact, a constituent of mine from Norwalk, OH, Tom Secor, who owns his

own small business, came to my office and told a story about a business trip he made to China. He said that he saw an editorial in a Chinese newspaper that was discussing all the concerns that Americans have with Chinese competition. The conclusion of the editorial was that the Americans could solve most of their problems with Chinese competition if they would just reform their own Tax Code. Imagine that: even Communist China knows that the United States needs tax reform to stay competitive, but for some reason we refuse to learn that lesson ourselves.

In addition to slashing the corporate rate on U.S. production, my legislation would also take steps to make small businesses more competitive and simplify the tax rules for individuals operating in the global economy. Specifically, my legislation would increase the domestic activities deduction for partnerships, S corporations, and sole proprietorships to 12 percent from 9 percent; make permanent the 2003 expansion in small business expensing; simplify the international tax rules for Americans working abroad by repealing complex and punitive rules enacted in 2006; and repeal the burdensome 3 percent withholding requirement for contractors, also enacted in 2006.

These tax reforms, which will help create high-paying jobs in the United States, will be paid for by repealing a number of existing tax breaks that favor foreign competition and that encourage companies to move jobs and profits overseas. Among those tax breaks I would eliminate are tax shelters that allow foreign competitors to hide their U.S. income offshore, creating an unlevel playing field for domestic businesses such as small manufacturers and domestic insurance companies; tax credits for moving our Nation's technological innovation—such as patents, copyrights, and ''know-how''—overseas, along with the high-wage manufacturing jobs that accompany that intellectual property; tax loopholes that encourage U.S. corporations to reincorporate as foreign corporations; a tax exemption for executives of offshore hedge funds if the executives put their money in certain deferred compensation plans; and tax breaks for foreign oil and gas production.

Reducing the tax rates on corporate and small business income should lead to job creation and wage increases for American workers. Paying for these tax cuts by eliminating tax breaks for foreign production and offshore tax shelters means we can accomplish these goals in a fiscally responsible manner. My legislation is intended to be revenue neutral, as I believe that we can enact progrowth tax policy without increasing the national debt.

In 1984, President Ronald Reagan declared to the American people that the Tax Code was fundamentally unfair and that he was going to reform it. President Reagan held his belief in the unjustness of the Tax Code deep in his heart. He knew that hundreds of targeted tax subsidies for the benefit of powerful interests forced average Americans to pay higher marginal rates and reduced economic growth. He saw tax reform not as a retreat from his 1981 tax relief agenda but, rather, as a logical continuation and enhancement of that agenda. The Tax Reform Act of 1986 was the culmination of the quest he began in 1981 to create a Tax Code with low marginal rates that raised the necessary revenue to fund the government with the least possible interference in our free market economy.

We must enact fundamental tax reform to help make the Tax Code simple, fair, transparent, and economically efficient. According to the President's Advisory Panel on Federal Tax Reform, headed by former Senators Connie Mack and John Breaux, only 13 percent of taxpayers file without the help of either a tax preparer or computer software. Since enacting the Tax Reform Act of 1986—legislation intended to simplify the filing process for taxpayers—over 15,000 provisions have been added to the Internal Revenue Code.

It is not just a matter of saving taxpayers time and effort. This is about saving taxpayers real money. The Tax Foundation has estimated that comprehensive tax reform could save Americans as much as $265 billion in compliance costs associated with preparing their returns. Now, that would be a real tax reduction that wouldn't cost the Treasury one dime.

I have been working on tax reform for years. In 2003, I attached an amendment to the Jobs and Growth Tax Relief Reconciliation Act that would have created a blue ribbon commission to study fundamental tax reform. The amendment was adopted by voice vote but later was removed in conference.

In the autumn of 2004, I offered my tax reform commission amendment again, this time to the American Jobs Creation Act. The Senate again adopted my amendment. During conference negotiations, the White House contacted me and requested that I withdraw my amendment because the President was preparing to take a leadership role by appointing his own tax reform panel. I enthusiastically agreed to defer to his leadership, and I withdrew my amendment. It seemed to me that the tax reform bandwagon was finally starting to roll.

In January 2005, President Bush announced the creation of an all-star panel, led by former Senators Connie Mack and John Breaux, and that panel spent most of the year engaging the American public to develop proposals to make our Tax Code simpler, fairer, and more conducive to economic growth. In November 2005, the panel issued its final report. While not perfect in anyone's mind, the panel's two plans provided a starting point for developing tax reform legislation that would represent a huge improvement over the current system. The panel's proposals belong as a key part of the national discussion on fundamental tax reform.

Some of my colleagues will suggest that we can just increase marginal rates to raise the revenue we need. But in a competitive global economy, I can't understand why we would choose such a self-defeating approach. Higher marginal rates on an already-broken tax system would only discourage economic ingenuity and reduce U.S. competitiveness.

Tinkering with the current Tax Code won't get it done. Tinkering is what got us into this mess in the first place. It is time to rip the Tax Code out by its roots and replace it with something that works. We must create a new tax system that is conducive to job creation and economic growth. We should start by addressing one of the biggest problems with the current code: it rewards moving production activity—and the good-paying jobs that accompany such activity—overseas. It taxes domestic production heavily but taxes foreign production lightly. It imposes the second highest corporate tax rate in the developed world but collects one of the smallest amounts of corporate tax as a share of the economy. Such a system sounds absolutely perverse, but that is what we have in the United States. The MADE in the USA Tax Act is intended to fix that.

I know there is bipartisan support in this Chamber to move forward on fundamental tax reform. It probably won't happen this year, but that doesn't mean that we shouldn't get started right away. We need to start setting the table so that a new President and a new Congress can hit the ground running in 2009 and enact comprehensive tax reform that makes the code simple, fair, and progrowth. I hope my colleagues will take a close look at the MADE in the USA Tax Act and join me in trying to make it a key part of our future efforts.

By Mr. MARTINEZ (for himself and Mr. CORNYN):

S. 3164. A bill to amend tile XVIII of the Social Security Act to reduce fraud under the Medicare program; to the Committee on Finance.

Mr. CORNYN. Mr. President, ''the first important rule of fraud control is: What you see is not the problem. It is what we don't see that really does the damage, and the efficacy of control systems depends upon how well they uncover, and then suppress, the invisible bulk of the problem.'' Such are the words of the preeminent expert on health care fraud, Harvard, Kennedy School of Government Professor, Malcolm Sparrow.

Just last week, the Washington Post ran a front-page article, which I would ask to be entered into the record, ''Medical Fraud a Growing Problem: Medicare Pays Most Claims Without Review.'' The story detailed how one

woman, defrauded the Government out of $105 million using just a laptop while sitting in her Mediterranean-style townhouse.

While the lottery's slogan is ''All you need is a dollar and dream.'' This woman discovered something better. Maybe Medicare should adopt the slogan ''All you need is a Provider Number and a dream.''

Quite simply, Medicare is not sophisticated enough to address the fraud that runs rampant through it. Every year, Medicare's anemic fraud controls let slip by an array of schemes that cost the Medicare program and taxpayers $60 billion, if not more. That is 20 percent of all Medicare spending.

Often, as pointed out by the *Washington Post* article, Medicare pays claims with little or no review as to why or where the checks are going or to whom. One phantom company, comprising nothing more than two rented mailboxes and a phone number was paid $2.1 million over a 6 month period. In another case, the owner of the fraudulent company was an unemployed tow truck operator who used the identities of dozens of dead patients. Again, ''All you need is a Provider Number and a dream.''

Medicare fraud is not limited to one segment of the health care sector. There are numerous examples of fraud conducted by physicians, dentists, health systems, laboratories, teaching hospitals, patients, and billing specialists to name a few. While I would agree that most of these groups are operating on the straight and narrow, the truth remains that the losses associated with Medicare fraud are helping drive the program to bankruptcy.

Unfortunately, conducting Medicare fraud has such a low risk of getting caught and less severe punishment yet high reward that it has even attracted organized crime. Again, ''All you need is a Provider Number and a dream.''

Usually, the only way Medicare is able to recoup a small portion of the annual $60 billion in losses is by expending more resources on investigations and law enforcement activities through the Office of Inspector General and Department of Justice. While these agencies have done a commendable job in combating fraud, to a large extent it is good money chasing bad.

Sometimes systems are set-up to fail. In this case, the Medicare fraud prevention program is not only set-up to fail, it is nearly non-existent.

We need to go from ''pay and chase'' to ''detect and prevent.'' Medicare needs to be mobile and it needs to be focused on preventing criminals from ever getting paid in the first place. Medicare needs a system that will continually, as Malcolm Sparrow said: ''uncover, and then suppress.''

Today, I am proud to join Senator MARTINEZ in what I hope is the first in a line of necessary common sense solutions to this problem. The Seniors and Taxpayers Obligation Protection Act or STOP Act, will protect honest taxpayers, seniors, and providers, by strengthening the Medicare program itself.

To prevent fraud, the STOP Act employs lessons from the private sector and moves Medicare into the 21st century. For example, Medicare may be the only program, company, or industry left in the country that still thinks it is a good idea to use social security numbers for identification. In a time where a stolen social security number is a stolen identity, Medicare has not stopped printing it on identification cards that are sent through the mail.

Even worse, when seniors report that their social security number is being used fraudulently to bill for services in Medicare that they didn't receive, Medicare has no ability to stop paying claims on that social security number or provide the senior with a new number. Medicare has ignored the warnings of the Government Accountability Office and the pleas of groups like AARP and Consumers Union to change this practice. Passage of the STOP Act will mean Medicare can ignore it no longer.

The STOP Act requires physicians in high risk areas to review the claims they submitted, similar to how you or I would review our credit card statement at the end of the month to ensure there are no mistaken or fraudulent charges.

It implements prepayment fraud detection methods, such as site visits, data analysis, and integrity reviews, so that a guy with a mailbox can no longer rely on ''All you need is a Supplier Number and a Dream.''

It ensures providers are billing for only those services for which they are qualified.

It tracks the usage of durable medical equipment and it conducts a study on the implementation prospects of real-time claims analysis technology.

Yes, many acts of fraud may be invisible, but it doesn't make them undetectable, and it certainly doesn't mean that we should just turn a blind eye. I hope my colleagues and members of the health sector will join Senator MARTINEZ and me in stepping up to the task of being part of the solution. Our seniors, our providers, and our taxpayers deserve better accountability from Medicare.

By Mr. BURR (for himself, Mr. WICKER, Mr. CRAIG, and Mr. VITTER):

S. 3167. A bill to amend title 38, United States Code, to clarify the conditions under which veterans, their surviving spouses, and their children may be treated as adjudicated mentally incompetent for certain purposes; to the Committee on Veterans' Affairs.

Mr. BURR. Mr. President, I rise today to introduce legislation that would end an arbitrary process through which our own Government takes away the Second Amendment rights of American veterans.

As most of my colleagues know, the Brady Handgun Violence Prevention Act prohibits the sale of firearms to those who have been ''adjudicated as a mental defective.''

The Government maintains a database on these individuals called the National Instant Criminal Background Check System, or ''NICS.'' The Brady Law and the NICS database aims to prevent those who may pose a danger to society or themselves from purchasing a firearm.

Gun shop owners use NICS to screen customers before selling a firearm. Needless to say, it is a serious matter to have one's name on the NICS. Every American should expect a rigorous and fair process before their right to bear arms is taken away.

Unfortunately, when it comes to certain veterans, surviving spouses, and children, the process is neither rigorous nor fair.

Since 1999, VA has sent the names of 116,000 of its beneficiaries to the FBI for inclusion on the NICS.

None of these names were sent to the FBI because they were determined to be a danger to themselves or others. They were listed in NICS because they could not manage their financial affairs. We should not take away a Constitutional right because someone can't balance a checkbook or pay their bills on time.

This practice is arbitrary, unfair, and applies a double standard.

VA's review process for assigning a fiduciary is meant to determine one's financial responsibility in managing VA-provided disability compensation, pension, and other benefits. For example, a veteran may be assigned a fiduciary if they have credit problems.

The VA focuses on whether or not benefits paid by VA will be spent in the manner in which they were intended. Nothing involved with VA's appointment of a fiduciary even gets at the question of whether an individual is a danger to themselves or others, or whether the person should own a firearm.

Yet that is exactly what happens if VA appoints a fiduciary. Over 116,000 individuals have been listed in NICS since 1999 because they were appointed a fiduciary. This includes veterans, surviving spouses, and even children.

This process is not only arbitrary, it is unfair. Taking away a Constitutional right is a serious action and veterans should be afforded due process under the law. At the very least, we should expect such decisions to be made by a competent judicial authority and not by civilian government employees.

The current practice is also a double standard. Only VA beneficiaries fall under these guidelines. The Social Security Administration assigns fiduciaries to help beneficiaries, yet the Social Security Administration does not send their names to the NICS.

Why are we singling out those who fought for this country and those who sacrificed while their spouse or parent served?

My legislation would end this arbitrary and unfair practice that strips the finest men and women of this country of their right to bear arms. This legislation would require a judicial authority to determine that an individual is a danger to themselves or others before their Second Amendment rights are taken away.

I am not here to ask that we put guns in the hands of dangerous people. I am here to ask that we treat our veterans fairly and we take the rights of our veterans seriously.

No matter where my colleagues fall on the gun issue, I hope we can all agree that we need a process that is consistent and fair. Our veterans took an oath to uphold the Constitution. They deserve to enjoy the rights they fought so hard to protect.

By Ms. SNOWE (for herself, Mr. DODD, and Mr. KERRY):

S. 3170. A bill to amend the Energy Policy and Conservation Act to modify the conditions for the release of products from the Northeast Home Heating Oil Reserve Account, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DODD. Mr. President, I rise today to speak on a bill I am introducing with my colleague, Senator SNOWE, to amend the Northeast Home Heating Oil Reserve program. I want to thank Senator SNOWE for her tremendous leadership on the problem this bill is designed to address, which is a critically important issue for our region that we have worked together on for many years. That issue is the skyrocketing price of heating oil, which millions of families in the Northeast are dependent on to heat their homes through our long, cold winters.

According to the Department of Energy's Energy Information Agency, EIA, 6.2 million of the 8 million households in the U.S. that use heating oil to heat their homes are in the Northeast, or approximately 78 percent. As crude oil and gasoline prices have risen higher and higher, the cost of heating oil has risen as well. Currently, heating oil is far and away the costliest method of heating homes, costing families an average of nearly $2000 per year, and much more in the coldest areas. Overall, heating a home with heating oil costs twice the national average of all fuels combined, yet most families in the Northeast have little choice. Even in some of our region's cities, there are no natural gas lines or other sources of home heating available to residents.

This dependence on heating oil is stretching many families' budgets to the breaking point. Where once low and moderate income families could struggle through the winter, soaring heating oil prices are forcing people to choose between heating their homes, driving their cars to and from work, and putting food on the table for their families. The EIA estimated that this year, it will cost $1,962 to heat a home with oil, a 33 percent increase from last year and a 117 percent increase since 2004. In just 4 short years, the cost of heating a home with oil has gone up more than $1000 dollars! Many families and seniors living on fixed incomes simply cannot bear this burden.

That is why Senator SNOWE and I are proposing a price trigger to provide for oil to be released from the Northeast Home Heating Oil Reserve. This is a 2-million barrel reserve I originally worked to create in 2000, along with my colleague from Maine and other Senators from the Northeast, to protect the residents of the region from severe price shocks to the heating oil market. Given the record heating oil prices we are experiencing today, we believe it would be reasonable to use this reserve to try to cushion those dependent on heating oil to get through the winter. From November through March, the Secretary of Energy would conduct a survey to determine the price of a gallon of heating oil on the first of each month. If the price meets or exceeds $4 per gallon, this would trigger an immediate release of 20 percent of the Northeast Home Heating Oil Reserve. This oil would then be sold on the open market to lower the price of heating oil in the region.

The revenue raised by the sale would then be devoted to the Weatherization Assistance Program to help low income heating oil customers increase the energy efficiency of their homes. Experience has shown that properly weatherizing homes can increase their energy efficiency by 20–30 percent, reducing energy consumption and lowering monthly utility bills. However, most low and middle income families cannot afford the upfront investment necessary to reap these benefits. The Weatherization Assistance Program is an enormously successful program designed to help families make that initial investment.

This bill will not solve our Nation's energy crisis, nor will this alone solve the problem of high heating oil prices in the Northeast. As the Senator from Maine well knows, we need to devote far more money to programs like the Low Income Home Energy Assistance Program, and we need to take a serious look at restructuring our Nation's comprehensive energy policy. But this legislation is a very good first step toward easing the pain so many residents of the Northeast and my State of Connecticut are feeling. I urge my colleagues to support us in this effort.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 596—CONGRATULATING THE BOSTON CELTICS ON WINNING THE 2008 NATIONAL BASKETBALL ASSOCIATION CHAMPIONSHIPS

Mr. KERRY (for himself, Mr. KENNEDY, Mr. REED, Mr. LIEBERMAN, Mr. DODD, Mr. SUNUNU, Mr. LEAHY, Mr. WHITEHOUSE, and Mr. GREGG) submitted the following resolution; which was referred to the Committee on the Judiciary:

Whereas on June 17, 2008, the Boston Celtics won the 2008 National Basketball Association Championship (referred to in this preamble as the ''2008 Championship'') in 6 games over the Los Angeles Lakers;

Whereas the 2008 Championship was the 17th world championship won by the Celtics, the most in the history of the National Basketball Association (referred to in this preamble as the ''NBA'');

Whereas the 2008 Championship marked the culmination of the greatest single season turnaround in the history of the NBA, as the Celtics improved from a record of 24–58 during the 2007–2008 season to a league-best 66–16 mark during the 2007–2008 campaign;

Whereas the 2008 Celtics NBA Championship team, like all great Celtics champions of the past, epitomized team work, selflessness, character, effort, camaraderie, toughness, and determination;

Whereas the 2008 Celtics honored the rich legacy of their franchise, which was—

(1) established by a legion of all-time greats, including Bill Russell, Larry Bird, John Havlicek, Bob Cousy, Tom Heinsohn, K.C. Jones, Sam Jones, Jo Jo White, Dave Cowens, Kevin McHale, Robert Parish, Dennis Johnson, and Tom ''Satch'' Sanders; and

(2) masterminded by one of the legendary coaches of all sports, Arnold ''red'' Auerbach;

Whereas Celtics managing partner Wyc Grousbeck and the entire Celtics ownership group never wavered from paying the price to raise ''Banner #17'' to the Garden rafters;

Whereas the 2008 Celtics were brought together by a former Celtics player, Danny Ainge, whose off-season acquisitions of NBA All-Stars Kevin Garnett and Ray Allen earned him the 2008 NBA Executive of the Year Award;

Whereas the Celtics were led by Doc Rivers, who—

(1) oversaw the smooth integration of new superstars and untested young players into the Celtics lineup; and

(2) assembled, and ensured the execution of, a masterful NBA Finals game plan;

Whereas the Celtics featured a 21st Century ''Big Three'' comprised of Paul Pierce, Kevin Garnett, and Ray Allen, 3 veteran players who worked together and never allowed their personal ambition or pursuit of individual statistics to interfere with the goal of the team to win a championship;

Whereas a group of talented young players contributed pivotal roles in the march of the Celtics to the 2008 Championship, including point guard Rajon Rondo, center Kendrick Perkins, forward Leon Powe, guard Tony Allen, and forward Glen ''Big Baby'' Davis;

Whereas the valuable bench of the Celtics was stocked with veteran role players who made significant contributions during the season, including forward James Posey, guard Eddie House, guard Sam Cassell, forward P.J. Brown, forward Brian Scalabrine, and center Scott Pollard;

Whereas the 2008 Celtics team demonstrated remarkable poise and gained invaluable playoff experience in defeating the Atlanta Hawks, the Cleveland Cavaliers, and the Detroit Pistons in hard-fought series during which every possession counted at both the offensive and defensive ends of the floor;

Whereas, after 26 playoff games, the Celtics ultimately secured the 17th NBA Championship of the franchise in one of the most dominating performances in NBA history, a 39-point rout of the Lakers in front of a raucous Garden crowd; and

Whereas the Celtics fans in the State of Massachusetts, in New England, and throughout the world never gave up hope that the franchise would someday return to glory and give a new generation of Celtics fans the opportunity to celebrate a championship: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates—

(A) the Boston Celtics for winning the 2008 National Basketball Association Championship, including the players, head coach, coaches, support staff, and team owners and executives whose ability, hard work, dedication, and spirit made the season possible; and

(B) the Los Angeles Lakers for their success during the 2008 season and winning the National Basketball Association Western Conference Championship; and

(2) directs the Enrolling Clerk of the Senate to transmit an enrolled copy of this resolution to—

(A) the 2008 Boston Celtics team;

(B) Celtics head coach Doc Rivers;

(C) Celtics general manager Danny Ainge; and

(D) Celtics managing partner Wyc Grousbeck.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4983. Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation.

SA 4984. Mrs. DOLE (for herself and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 4985. Mr. BOND (for himself and Mr. BARRASSO) proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 4986. Mr. BOND proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 4987. Mr. BOND proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 4988. Mr. KOHL (for himself, Mrs. LINCOLN, Ms. MIKULSKI, and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 4989. Mr. ISAKSON (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4990. Mr. VITTER submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4991. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4992. Mr. ALLARD submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4993. Mr. MENENDEZ (for himself, Mrs. MURRAY, and Mr. BROWN) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4994. Mr. BROWN submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4995. Mr. BROWN submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4996. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4997. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4998. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 4999. Mr. SUNUNU (for himself and Ms. SNOWE) proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra.

SA 5000. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5001. Mr. CORKER submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5002. Mr. CRAPO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5003. Mr. CRAPO submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5004. Mr. NELSON, of Florida (for himself and Mr. COLEMAN) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5005. Mr. ISAKSON (for himself and Mr. CORKER) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5006. Mr. VITTER (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5007. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5008. Mr. CHAMBLISS (for himself and Mr. CORKER) submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5009. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5010. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5011. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5012. Mr. KERRY (for Mr. KENNEDY (for himself and Mr. KERRY)) submitted an amendment intended to be proposed by Mr. KERRY to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5013. Mr. TESTER (for himself and Mr. ENZI) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5014. Mr. DODD (for Mr. INOUYE (for himself and Mr. STEVENS)) proposed an amendment to the bill S. 2607, to make a technical correction to section 3009 of the Deficit Reduction Act of 2005.

SA 5015. Mr. DODD (for himself and Mr. SHELBY) proposed an amendment to the bill S. 2159, to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration.

SA 5016. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table.

SA 5017. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5018. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3221, supra; which was ordered to lie on the table.

SA 5019. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4983. Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax

incentives for the production of renewable energy and energy conservation; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Housing and Economic Recovery Act of 2008''.

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

Sec. 1. Short title; table of contents.

DIVISION A—HOUSING FINANCE REFORM

Sec. 1001. Short title.
Sec. 1002. Definitions.

TITLE I—REFORM OF REGULATION OF ENTERPRISES

Subtitle A—Improvement of Safety and Soundness Supervision

Sec. 1101. Establishment of the Federal Housing Finance Agency.
Sec. 1102. Duties and authorities of the Director.
Sec. 1103. Federal Housing Finance Oversight Board.
Sec. 1104. Authority to require reports by regulated entities.
Sec. 1105. Examiners and accountants; authority to contract for reviews of regulated entities; ombudsman.
Sec. 1106. Assessments.
Sec. 1107. Regulations and orders.
Sec. 1108. Prudential management and operations standards.
Sec. 1109. Review of and authority over enterprise assets and liabilities.
Sec. 1110. Risk-based capital requirements.
Sec. 1111. Minimum capital levels.
Sec. 1112. Registration under the securities laws.
Sec. 1113. Prohibition and withholding of executive compensation.
Sec. 1114. Limit on golden parachutes.
Sec. 1115. Reporting of fraudulent loans.

Subtitle B—Improvement of Mission Supervision

Sec. 1121. Transfer of program approval and housing goal oversight.
Sec. 1122. Assumption by the Director of certain other HUD responsibilities.
Sec. 1123. Review of enterprise products.
Sec. 1124. Conforming loan limits.
Sec. 1125. Annual housing report.
Sec. 1126. Public use database.
Sec. 1127. Reporting of mortgage data.
Sec. 1128. Revision of housing goals.
Sec. 1129. Duty to serve underserved markets.
Sec. 1130. Monitoring and enforcing compliance with housing goals.
Sec. 1131. Affordable housing programs.
Sec. 1132. Financial education and counseling.
Sec. 1133. Transfer and rights of certain HUD employees.

Subtitle C—Prompt Corrective Action

Sec. 1141. Critical capital levels.
Sec. 1142. Capital classifications.
Sec. 1143. Supervisory actions applicable to undercapitalized regulated entities.
Sec. 1144. Supervisory actions applicable to significantly undercapitalized regulated entities.
Sec. 1145. Authority over critically undercapitalized regulated entities.

Subtitle D—Enforcement Actions

Sec. 1151. Cease and desist proceedings.
Sec. 1152. Temporary cease and desist proceedings.
Sec. 1153. Removal and prohibition authority.
Sec. 1154. Enforcement and jurisdiction.
Sec. 1155. Civil money penalties.
Sec. 1156. Criminal penalty.
Sec. 1157. Notice after separation from service.
Sec. 1158. Subpoena authority.

Subtitle E—General Provisions

Sec. 1161. Conforming and technical amendments.
Sec. 1162. Presidentially-appointed directors of enterprises.
Sec. 1163. Effective date.

TITLE II—FEDERAL HOME LOAN BANKS

Sec. 1201. Recognition of distinctions between the enterprises and the Federal Home Loan Banks.
Sec. 1202. Directors.
Sec. 1203. Definitions.
Sec. 1204. Agency oversight of Federal Home Loan Banks.
Sec. 1205. Housing goals.
Sec. 1206. Community development financial institutions.
Sec. 1207. Sharing of information among Federal Home Loan Banks.
Sec. 1208. Exclusion from certain requirements.
Sec. 1209. Voluntary mergers.
Sec. 1210. Authority to reduce districts.
Sec. 1211. Community financial institution members.
Sec. 1212. Public use data base; reports to Congress.
Sec. 1213. Semiannual reports.
Sec. 1214. Liquidation or reorganization of a Federal Home Loan Bank.
Sec. 1215. Study and report to Congress on securitization of acquired member assets.
Sec. 1216. Technical and conforming amendments.
Sec. 1217. Study on Federal Home Loan Bank advances.
Sec. 1218. Federal Home Loan Bank refinancing authority for certain residential mortgage loans.

TITLE III—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY OF OFHEO AND THE FEDERAL HOUSING FINANCE BOARD

Subtitle A—OFHEO

Sec. 1301. Abolishment of OFHEO.
Sec. 1302. Continuation and coordination of certain actions.
Sec. 1303. Transfer and rights of employees of OFHEO.
Sec. 1304. Transfer of property and facilities.

Subtitle B—Federal Housing Finance Board

Sec. 1311. Abolishment of the Federal Housing Finance Board.
Sec. 1312. Continuation and coordination of certain actions.
Sec. 1313. Transfer and rights of employees of the Federal Housing Finance Board.
Sec. 1314. Transfer of property and facilities.

TITLE IV—HOPE FOR HOMEOWNERS

Sec. 1401. Short title.
Sec. 1402. Establishment of HOPE for Homeowners Program.
Sec. 1403. Fiduciary duty of servicers of pooled residential mortgage loans.
Sec. 1404. Revised standards for FHA appraisers.

TITLE V—S.A.F.E. MORTGAGE LICENSING ACT

Sec. 1501. Short title.
Sec. 1502. Purposes and methods for establishing a mortgage licensing system and registry.
Sec. 1503. Definitions.
Sec. 1504. License or registration required.
Sec. 1505. State license and registration application and issuance.
Sec. 1506. Standards for State license renewal.
Sec. 1507. System of registration administration by Federal agencies.
Sec. 1508. Secretary of Housing and Urban Development backup authority to establish a loan originator licensing system.
Sec. 1509. Backup authority to establish a nationwide mortgage licensing and registry system.
Sec. 1510. Fees.
Sec. 1511. Background checks of loan originators.
Sec. 1512. Confidentiality of information.
Sec. 1513. Liability provisions.
Sec. 1514. Enforcement under HUD backup licensing system.
Sec. 1515. State examination authority.
Sec. 1516. Reports and recommendations to Congress.
Sec. 1517. Study and reports on defaults and foreclosures.

TITLE VI—MISCELLANEOUS

Sec. 1601. Study and reports on guarantee fees.
Sec. 1602. Study and report on default risk evaluation.
Sec. 1603. Conversion of HUD contracts.
Sec. 1604. Bridge depository institutions.
Sec. 1605. Sense of the Senate.

DIVISION B—FORECLOSURE PREVENTION

Sec. 2001. Short title.
Sec. 2002. Emergency designation.

TITLE I—FHA MODERNIZATION ACT OF 2008

Sec. 2101. Short title.

Subtitle A—Building American Homeownership

Sec. 2111. Short title.
Sec. 2112. Maximum principal loan obligation.
Sec. 2113. Cash investment requirement and prohibition of seller-funded down payment assistance.
Sec. 2114. Mortgage insurance premiums.
Sec. 2115. Rehabilitation loans.
Sec. 2116. Discretionary action.
Sec. 2117. Insurance of condominiums.
Sec. 2118. Mutual Mortgage Insurance Fund.
Sec. 2119. Hawaiian home lands and Indian reservations.
Sec. 2120. Conforming and technical amendments.
Sec. 2121. Insurance of mortgages.
Sec. 2122. Home equity conversion mortgages.
Sec. 2123. Energy efficient mortgages program.
Sec. 2124. Pilot program for automated process for borrowers without sufficient credit history.
Sec. 2125. Homeownership preservation.
Sec. 2126. Use of FHA savings for improvements in FHA technologies, procedures, processes, program performance, staffing, and salaries.
Sec. 2127. Post-purchase housing counseling eligibility improvements.
Sec. 2128. Pre-purchase homeownership counseling demonstration.
Sec. 2129. Fraud prevention.
Sec. 2130. Limitation on mortgage insurance premium increases.
Sec. 2131. Savings provision.
Sec. 2132. Implementation.
Sec. 2133. Moratorium on implementation of risk-based premiums.

Subtitle B—Manufactured Housing Loan Modernization

Sec. 2141. Short title.
Sec. 2142. Purposes.
Sec. 2143. Exception to limitation on financial institution portfolio.

Sec. 2144. Insurance benefits.
Sec. 2145. Maximum loan limits.
Sec. 2146. Insurance premiums.
Sec. 2147. Technical corrections.
Sec. 2148. Revision of underwriting criteria.
Sec. 2149. Prohibition against kickbacks and unearned fees.
Sec. 2150. Leasehold requirements.

TITLE II—MORTGAGE FORECLOSURE PROTECTIONS FOR SERVICEMEMBERS

Sec. 2201. Temporary increase in maximum loan guaranty amount for certain housing loans guaranteed by the Secretary of Veterans Affairs.
Sec. 2202. Counseling on mortgage foreclosures for members of the Armed Forces returning from service abroad.
Sec. 2203. Enhancement of protections for servicemembers relating to mortgages and mortgage foreclosures.

TITLE III—EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES

Sec. 2301. Emergency assistance for the redevelopment of abandoned and foreclosed homes.
Sec. 2302. Nationwide distribution of resources.
Sec. 2303. Limitation on use of funds with respect to eminent domain.
Sec. 2304. Limitation on distribution of funds.
Sec. 2305. Counseling intermediaries.

TITLE IV—HOUSING COUNSELING RESOURCES

Sec. 2401. Housing counseling resources.
Sec. 2402. Credit counseling.

TITLE V—MORTGAGE DISCLOSURE IMPROVEMENT ACT

Sec. 2501. Short title.
Sec. 2502. Enhanced mortgage loan disclosures.
Sec. 2503. Community development investment authority for depository institutions.

TITLE VI—VETERANS HOUSING MATTERS

Sec. 2601. Home improvements and structural alterations for totally disabled members of the Armed Forces before discharge or release from the Armed Forces.
Sec. 2602. Eligibility for specially adapted housing benefits and assistance for members of the Armed Forces with service-connected disabilities and individuals residing outside the United States.
Sec. 2603. Specially adapted housing assistance for individuals with severe burn injuries.
Sec. 2604. Extension of assistance for individuals residing temporarily in housing owned by a family member.
Sec. 2605. Increase in specially adapted housing benefits for disabled veterans.
Sec. 2606. Report on specially adapted housing for disabled individuals.
Sec. 2607. Report on specially adapted housing assistance for individuals who reside in housing owned by a family member on permanent basis.
Sec. 2608. Definition of annual income for purposes of section 8 and other public housing programs.
Sec. 2609. Payment of transportation of baggage and household effects for members of the Armed Forces who relocate due to foreclosure of leased housing.

DIVISION C—TAX-RELATED PROVISIONS

Sec. 3000. Short title; etc.

TITLE I—HOUSING TAX INCENTIVES

Subtitle A—Multi-Family Housing

PART I—LOW-INCOME HOUSING TAX CREDIT

Sec. 3001. Temporary increase in volume cap for low-income housing tax credit.
Sec. 3002. Determination of credit rate.
Sec. 3003. Modifications to definition of eligible basis.
Sec. 3004. Other simplification and reform of low-income housing tax incentives.
Sec. 3005. Treatment of military basic pay.

PART II—MODIFICATIONS TO TAX-EXEMPT HOUSING BOND RULES

Sec. 3007. Recycling of tax-exempt debt for financing residential rental projects.
Sec. 3008. Coordination of certain rules applicable to low-income housing credit and qualified residential rental project exempt facility bonds.

PART III—REFORMS RELATED TO THE LOW-INCOME HOUSING CREDIT AND TAX-EXEMPT HOUSING BONDS

Sec. 3009. Hold harmless for reductions in area median gross income.
Sec. 3010. Exception to annual current income determination requirement where determination not relevant.

Subtitle B—Single Family Housing

Sec. 3011. First-time homebuyer credit.
Sec. 3012. Additional standard deduction for real property taxes for nonitemizers.

Subtitle C—General Provisions

Sec. 3021. Temporary liberalization of tax-exempt housing bond rules.
Sec. 3022. Repeal of alternative minimum tax limitations on tax-exempt housing bonds, low-income housing tax credit, and rehabilitation credit.
Sec. 3023. Bonds guaranteed by Federal home loan banks eligible for treatment as tax-exempt bonds.
Sec. 3024. Modification of rules pertaining to FIRPTA nonforeign affidavits.
Sec. 3025. Modification of definition of tax-exempt use property for purposes of the rehabilitation credit.
Sec. 3026. Extension of special rule for mortgage revenue bonds for residences located in disaster areas.

TITLE II—REFORMS RELATED TO REAL ESTATE INVESTMENT TRUSTS

Subtitle A—Foreign Currency and Other Qualified Activities

Sec. 3031. Revisions to REIT income tests.
Sec. 3032. Revisions to REIT asset tests.
Sec. 3033. Conforming foreign currency revisions.

Subtitle B—Taxable REIT Subsidiaries

Sec. 3041. Conforming taxable REIT subsidiary asset test.

Subtitle C—Dealer Sales

Sec. 3051. Holding period under safe harbor.
Sec. 3052. Determining value of sales under safe harbor.

Subtitle D—Health Care REITs

Sec. 3061. Conformity for health care facilities.

Subtitle E—Effective Dates

Sec. 3071. Effective dates.

TITLE III—REVENUE PROVISIONS

Subtitle A—General Provisions

Sec. 3081. Election to accelerate amt and r and d credits in lieu of bonus depreciation.
Sec. 3082. Certain GO Zone incentives.

Subtitle B—Revenue Offsets

Sec. 3091. Returns relating to payments made in settlement of payment card and third party network transactions.
Sec. 3092. Gain from sale of principal residence allocated to nonqualified use not excluded from income.
Sec. 3093. Increase in information return penalties.
Sec. 3094. Increase in penalty for failure to file S corporation returns.
Sec. 3095. Increase in penalty for failure to file partnership returns.
Sec. 3096. Increase in minimum penalty on failure to file a return of tax.

DIVISION A—HOUSING FINANCE REFORM

SEC. 1001. SHORT TITLE.

This division may be cited as the ''Federal Housing Finance Regulatory Reform Act of 2008''.

SEC. 1002. DEFINITIONS.

(a) FEDERAL SAFETY AND SOUNDNESS ACT DEFINITIONS.—Section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502) is amended—

(1) in each of paragraphs (8), (9), (10), and (19), by striking ''Secretary'' each place that term appears and inserting ''Director'';

(2) by redesignating paragraphs (16) through (19) as paragraphs (21) through (24), respectively;

(3) by striking paragraphs (13) through (15) and inserting the following:

''(19) OFFICE OF FINANCE.—The term 'Office of Finance' means the Office of Finance of the Federal Home Loan Bank System (or any successor thereto).

''(20) REGULATED ENTITY.—The term 'regulated entity' means—

''(A) the Federal National Mortgage Association and any affiliate thereof;

''(B) the Federal Home Loan Mortgage Corporation and any affiliate thereof; and

''(C) any Federal Home Loan Bank.'';

(4) by redesignating paragraphs (11) and (12) as paragraphs (17) and (18), respectively;

(5) by redesignating paragraph (7) as paragraph (12);

(6) by redesignating paragraphs (8) through (10) as paragraphs (14) through (16), respectively;

(7) in paragraph (5)—

(A) by striking ''(5)'' and inserting ''(9)''; and

(B) by striking ''Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''Federal Housing Finance Agency'';

(8) by redesignating paragraph (6) as paragraph (10);

(9) by redesignating paragraphs (2) through (4) as paragraphs (5) through (7), respectively;

(10) by inserting after paragraph (7), as redesignated, the following:

''(8) DEFAULT; IN DANGER OF DEFAULT.—

''(A) DEFAULT.—The term 'default' means, with respect to a regulated entity, any adjudication or other official determination by any court of competent jurisdiction, or the Agency, pursuant to which a conservator, receiver, limited-life regulated entity, or legal custodian is appointed for a regulated entity.

''(B) IN DANGER OF DEFAULT.—The term 'in danger of default' means a regulated entity with respect to which, in the opinion of the Agency—

''(i) the regulated entity is not likely to be able to pay the obligations of the regulated entity in the normal course of business; or

''(ii) the regulated entity—

''(I) has incurred or is likely to incur losses that will deplete all or substantially all of its capital; and

''(II) there is no reasonable prospect that the capital of the regulated entity will be replenished.'';

(11) by inserting after paragraph (1) the following:

''(2) AGENCY.—The term 'Agency' means the Federal Housing Finance Agency established under section 1311.

''(3) AUTHORIZING STATUTES.—The term 'authorizing statutes' means—

''(A) the Federal National Mortgage Association Charter Act;

''(B) the Federal Home Loan Mortgage Corporation Act; and

''(C) the Federal Home Loan Bank Act.

''(4) BOARD.—The term 'Board' means the Federal Housing Finance Oversight Board established under section 1313A.'';

(12) by inserting after paragraph (10), as redesignated by this section, the following:

''(11) ENTITY-AFFILIATED PARTY.—The term 'entity-affiliated party' means—

''(A) any director, officer, employee, or controlling stockholder of, or agent for, a regulated entity;

''(B) any shareholder, affiliate, consultant, or joint venture partner of a regulated entity, and any other person, as determined by the Director (by regulation or on a case-by-case basis) that participates in the conduct of the affairs of a regulated entity, provided that a member of a Federal Home Loan Bank shall not be deemed to have participated in the affairs of that Bank solely by virtue of being a shareholder of, and obtaining advances from, that Bank;

''(C) any independent contractor for a regulated entity (including any attorney, appraiser, or accountant), if—

''(i) the independent contractor knowingly or recklessly participates in—

''(I) any violation of any law or regulation;

''(II) any breach of fiduciary duty; or

''(III) any unsafe or unsound practice; and

''(ii) such violation, breach, or practice caused, or is likely to cause, more than a minimal financial loss to, or a significant adverse effect on, the regulated entity;

''(D) any not-for-profit corporation that receives its principal funding, on an ongoing basis, from any regulated entity; and

''(E) the Office of Finance.'';

(13) by inserting after paragraph (12), as redesignated by this section, the following:

''(13) LIMITED-LIFE REGULATED ENTITY.—The term 'limited-life regulated entity' means an entity established by the Agency under section 1367(i) with respect to a Federal Home Loan Bank in default or in danger of default or with respect to an enterprise in default or in danger of default.''; and

(14) by adding at the end the following:

''(25) VIOLATION.—The term 'violation' includes any action (alone or in combination with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.''.

(b) REFERENCES IN THIS ACT.—As used in this Act, unless otherwise specified—

(1) the term ''Agency'' means the Federal Housing Finance Agency;

(2) the term ''Director'' means the Director of the Agency; and

(3) the terms ''enterprise'', ''regulated entity'', and ''authorizing statutes'' have the same meanings as in section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by this Act.

TITLE I—REFORM OF REGULATION OF ENTERPRISES

Subtitle A—Improvement of Safety and Soundness Supervision

SEC. 1101. ESTABLISHMENT OF THE FEDERAL HOUSING FINANCE AGENCY.

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended by striking sections 1311 and 1312 and inserting the following:

''SEC. 1311. ESTABLISHMENT OF THE FEDERAL HOUSING FINANCE AGENCY.

''(a) ESTABLISHMENT.—There is established the Federal Housing Finance Agency, which shall be an independent agency of the Federal Government.

''(b) GENERAL SUPERVISORY AND REGULATORY AUTHORITY.—

''(1) IN GENERAL.—Each regulated entity shall, to the extent provided in this title, be subject to the supervision and regulation of the Agency.

''(2) AUTHORITY OVER FANNIE MAE, FREDDIE MAC, THE FEDERAL HOME LOAN BANKS, AND THE OFFICE OF FINANCE.—The Director shall have general regulatory authority over each regulated entity and the Office of Finance, and shall exercise such general regulatory authority, including such duties and authorities set forth under section 1313, to ensure that the purposes of this Act, the authorizing statutes, and any other applicable law are carried out.

''(c) SAVINGS PROVISION.—The authority of the Director to take actions under subtitles B and C shall not in any way limit the general supervisory and regulatory authority granted to the Director under subsection (b).

''SEC. 1312. DIRECTOR.

''(a) ESTABLISHMENT OF POSITION.—There is established the position of the Director of the Agency, who shall be the head of the Agency.

''(b) APPOINTMENT; TERM.—

''(1) APPOINTMENT.—The Director shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight, and have a demonstrated understanding of capital markets, including the mortgage securities markets and housing finance.

''(2) TERM.—The Director shall be appointed for a term of 5 years, unless removed before the end of such term for cause by the President.

''(3) VACANCY.—A vacancy in the position of Director that occurs before the expiration of the term for which a Director was appointed shall be filled in the manner established under paragraph (1), and the Director appointed to fill such vacancy shall be appointed only for the remainder of such term.

''(4) SERVICE AFTER END OF TERM.—An individual may serve as the Director after the expiration of the term for which appointed until a successor has been appointed.

''(5) TRANSITIONAL PROVISION.—Notwithstanding paragraphs (1) and (2), during the period beginning on the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, and ending on the date on which the Director is appointed and confirmed, the person serving as the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development on that effective date shall act for all purposes as, and with the full powers of, the Director.

''(c) DEPUTY DIRECTOR OF THE DIVISION OF ENTERPRISE REGULATION.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director of the Division of Enterprise Regulation, who shall be designated by the Director from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight, and have a demonstrated understanding of mortgage securities markets and housing finance.

''(2) FUNCTIONS.—The Deputy Director of the Division of Enterprise Regulation shall have such functions, powers, and duties with respect to the oversight of the enterprises as the Director shall prescribe.

''(d) DEPUTY DIRECTOR OF THE DIVISION OF FEDERAL HOME LOAN BANK REGULATION.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director of the Division of Federal Home Loan Bank Regulation, who shall be designated by the Director from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight, and have a demonstrated understanding of the Federal Home Loan Bank System and housing finance.

''(2) FUNCTIONS.—The Deputy Director of the Division of Federal Home Loan Bank Regulation shall have such functions, powers, and duties with respect to the oversight of the Federal Home Loan Banks as the Director shall prescribe.

''(e) DEPUTY DIRECTOR FOR HOUSING MISSION AND GOALS.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director for Housing Mission and Goals, who shall be designated by the Director from among individuals who are citizens of the United States, and have a demonstrated understanding of the housing markets and housing finance.

''(2) FUNCTIONS.—The Deputy Director for Housing Mission and Goals shall have such functions, powers, and duties with respect to the oversight of the housing mission and goals of the enterprises, and with respect to oversight of the housing finance and community and economic development mission of the Federal Home Loan Banks, as the Director shall prescribe.

''(3) CONSIDERATIONS.—In exercising such functions, powers, and duties, the Deputy Director for Housing Mission and Goals shall consider the differences between the enterprises and the Federal Home Loan Banks, including those described in section 1313(f).

''(f) ACTING DIRECTOR.—In the event of the death, resignation, sickness, or absence of the Director, the President shall designate either the Deputy Director of the Division of Enterprise Regulation, the Deputy Director of the Division of Federal Home Loan Bank Regulation, or the Deputy Director for Housing Mission and Goals, to serve as acting Director until the return of the Director, or the appointment of a successor pursuant to subsection (b).

''(g) LIMITATIONS.—The Director and each of the Deputy Directors may not—

''(1) have any direct or indirect financial interest in any regulated entity or entity-affiliated party;

''(2) hold any office, position, or employment in any regulated entity or entity-affiliated party; or

''(3) have served as an executive officer or director of any regulated entity or entity-affiliated party at any time during the 3-year period preceding the date of appointment or designation of such individual as Director or Deputy Director, as applicable.''.

SEC. 1102. DUTIES AND AUTHORITIES OF THE DIRECTOR.

(a) IN GENERAL.—Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4513) is amended to read as follows:

''SEC. 1313. DUTIES AND AUTHORITIES OF DIRECTOR.

''(a) DUTIES.—

''(1) PRINCIPAL DUTIES.—The principal duties of the Director shall be—

''(A) to oversee the prudential operations of each regulated entity; and

''(B) to ensure that—

''(i) each regulated entity operates in a safe and sound manner, including maintenance of adequate capital and internal controls;

''(ii) the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities);

''(iii) each regulated entity complies with this title and the rules, regulations, guidelines, and orders issued under this title and the authorizing statutes;

''(iv) each regulated entity carries out its statutory mission only through activities that are authorized under and consistent with this title and the authorizing statutes; and

''(v) the activities of each regulated entity and the manner in which such regulated entity is operated are consistent with the public interest.

''(2) SCOPE OF AUTHORITY.—The authority of the Director shall include the authority—

''(A) to review and, if warranted based on the principal duties described in paragraph (1), reject any acquisition or transfer of a controlling interest in a regulated entity; and

''(B) to exercise such incidental powers as may be necessary or appropriate to fulfill the duties and responsibilities of the Director in the supervision and regulation of each regulated entity.

''(b) DELEGATION OF AUTHORITY.—The Director may delegate to officers and employees of the Agency any of the functions, powers, or duties of the Director, as the Director considers appropriate.

''(c) LITIGATION AUTHORITY.—

''(1) IN GENERAL.—In enforcing any provision of this title, any regulation or order prescribed under this title, or any other provision of law, rule, regulation, or order, or in any other action, suit, or proceeding to which the Director is a party or in which the Director is interested, and in the administration of conservatorships and receiverships, the Director may act in the Director's own name and through the Director's own attorneys.

''(2) SUBJECT TO SUIT.—Except as otherwise provided by law, the Director shall be subject to suit (other than suits on claims for money damages) by a regulated entity with respect to any matter under this title or any other applicable provision of law, rule, order, or regulation under this title, in the United States district court for the judicial district in which the regulated entity has its principal place of business, or in the United States District Court for the District of Columbia, and the Director may be served with process in the manner prescribed by the Federal Rules of Civil Procedure.''.

(b) INDEPENDENCE IN CONGRESSIONAL TESTIMONY AND RECOMMENDATIONS.—Section 111 of Public Law 93–495 (12 U.S.C. 250) is amended by striking ''the Federal Housing Finance Board'' and inserting ''the Director of the Federal Housing Finance Agency''.

SEC. 1103. FEDERAL HOUSING FINANCE OVERSIGHT BOARD.

(a) IN GENERAL.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended by inserting after section 1313 the following:

''SEC. 1313A. FEDERAL HOUSING FINANCE OVERSIGHT BOARD.

''(a) IN GENERAL.—There is established the Federal Housing Finance Oversight Board, which shall advise the Director with respect to overall strategies and policies in carrying out the duties of the Director under this title.

''(b) LIMITATIONS.—The Board may not exercise any executive authority, and the Director may not delegate to the Board any of the functions, powers, or duties of the Director.

''(c) COMPOSITION.—The Board shall be comprised of 4 members, of whom—

''(1) 1 member shall be the Secretary of the Treasury;

''(2) 1 member shall be the Secretary of Housing and Urban Development;

''(3) 1 member shall be the Chairman of the Securities and Exchange Commission; and

''(4) 1 member shall be the Director, who shall serve as the Chairperson of the Board.

''(d) MEETINGS.—

''(1) IN GENERAL.—The Board shall meet upon notice by the Director, but in no event shall the Board meet less frequently than once every 3 months.

''(2) SPECIAL MEETINGS.—Either the Secretary of the Treasury, the Secretary of Housing and Urban Development, or the Chairman of the Securities and Exchange Commission may, upon giving written notice to the Director, require a special meeting of the Board.

''(e) TESTIMONY.—On an annual basis, the Board shall testify before Congress regarding—

''(1) the safety and soundness of the regulated entities;

''(2) any material deficiencies in the conduct of the operations of the regulated entities;

''(3) the overall operational status of the regulated entities;

''(4) an evaluation of the performance of the regulated entities in carrying out their respective missions;

''(5) operations, resources, and performance of the Agency; and

''(6) such other matters relating to the Agency and its fulfillment of its mission, as the Board determines appropriate.''.

(b) ANNUAL REPORT OF THE DIRECTOR.—Section 1319B(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4521(a)) is amended—

(1) by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(2) by striking ''enterprises'' each place that term appears and inserting ''regulated entities'';

(3) in paragraph (3), by striking ''; and'' and inserting a semicolon;

(4) in paragraph (4), by striking ''1994.'' and inserting ''1994; and''; and

(5) by adding at the end the following:

''(5) the assessment of the Board or any of its members with respect to—

''(A) the safety and soundness of the regulated entities;

''(B) any material deficiencies in the conduct of the operations of the regulated entities;

''(C) the overall operational status of the regulated entities; and

''(D) an evaluation of the performance of the regulated entities in carrying out their respective missions;

''(6) operations, resources, and performance of the Agency; and

''(7) such other matters relating to the Agency and the fulfillment of its mission.''.

SEC. 1104. AUTHORITY TO REQUIRE REPORTS BY REGULATED ENTITIES.

(a) IN GENERAL.—Section 1314 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4514) is amended—

(1) in the section heading, by striking ''**ENTERPRISES**'' and inserting ''**REGULATED ENTITIES**'';

(2) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity'';

(3) by striking ''the enterprise'' and inserting ''the regulated entity'';

(4) in subsection (a)—

(A) by striking the subsection heading and all that follows through ''and operations'' in paragraph (1) and inserting the following:

''(a) REGULAR AND SPECIAL REPORTS.—

''(1) REGULAR REPORTS.—The Director may require, by general or specific orders, a regulated entity to submit regular reports, including financial statements determined on a fair value basis, on the condition (including financial condition), management, activities, or operations of the regulated entity, as the Director considers appropriate''; and

(B) in paragraph (2)—

(i) by inserting '', by general or specific orders,'' after ''may also require''; and

(ii) by striking ''whenever'' and inserting ''on any of the topics specified in paragraph (1) or any other relevant topics, if''; and

(5) by adding at the end the following:

''(c) PENALTIES FOR FAILURE TO MAKE REPORTS.—

''(1) VIOLATIONS.—It shall be a violation of this section for any regulated entity—

''(A) to fail to make, transmit, or publish any report or obtain any information required by the Director under this section, section 309(k) of the Federal National Mortgage Association Charter Act, section 307(c) of the Federal Home Loan Mortgage Corporation Act, or section 20 of the Federal Home Loan Bank Act, within the period of time specified in such provision of law or otherwise by the Director; or

''(B) to submit or publish any false or misleading report or information under this section.

''(2) PENALTIES.—

''(A) FIRST TIER.—

''(i) IN GENERAL.—A violation described in paragraph (1) shall be subject to a penalty of not more than $2,000 for each day during which such violation continues, in any case in which—

''(I) the subject regulated entity maintains procedures reasonably adapted to avoid any inadvertent error and the violation was unintentional and a result of such an error; or

''(II) the violation was an inadvertent transmittal or publication of any report which was minimally late.

''(ii) BURDEN OF PROOF.—For purposes of this subparagraph, the regulated entity shall have the burden of proving that the error was inadvertent or that a report was inadvertently transmitted or published late.

''(B) SECOND TIER.—A violation described in paragraph (1) shall be subject to a penalty of not more than $20,000 for each day during which such violation continues or such false or misleading information is not corrected, in any case that is not addressed in subparagraph (A) or (C).

''(C) THIRD TIER.—A violation described in paragraph (1) shall be subject to a penalty of not more than $1,000,000 per day for each day during which such violation continues or such false or misleading information is not corrected, in any case in which the subject regulated entity committed such violation knowingly or with reckless disregard for the accuracy of any such information or report.

''(3) ASSESSMENTS.—Any penalty imposed under this subsection shall be in lieu of a penalty under section 1376, but shall be assessed and collected by the Director in the manner provided in section 1376 for penalties imposed under that section, and any such assessment (including the determination of the amount of the penalty) shall be otherwise subject to the provisions of section 1376.

''(4) HEARING.—A regulated entity against which a penalty is assessed under this section shall be afforded an agency hearing if the regulated entity submits a request for a hearing not later than 20 days after the date of the issuance of the notice of assessment. Section 1374 shall apply to any such proceedings.''.

(b) CONFORMING AMENDMENT.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended by striking sections 1327 and 1328.

SEC. 1105. EXAMINERS AND ACCOUNTANTS; AUTHORITY TO CONTRACT FOR REVIEWS OF REGULATED ENTITIES; OMBUDSMAN.

(a) IN GENERAL.—Section 1317 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4517) is amended—

(1) in subsection (a), by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(2) in subsection (b)—

(A) by inserting ''of a regulated entity'' after ''under this section''; and

(B) by striking ''to determine the condition of an enterprise for the purpose of ensuring its financial safety and soundness'' and inserting ''or appropriate'';

(3) in subsection (c), in the second sentence, by inserting before the period ''to conduct examinations under this section'';

(4) by redesignating subsections (d) through (f) as subsections (e) through (g), respectively; and

(5) by inserting after subsection (c) the following:

''(d) INSPECTOR GENERAL.—There shall be within the Agency an Inspector General, who shall be appointed in accordance with section 3(a) of the Inspector General Act of 1978.''.

(b) DIRECT HIRE AUTHORITY TO HIRE ACCOUNTANTS, ECONOMISTS, AND EXAMINERS.—Section 1317 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4517) is amended by adding at the end the following:

''(h) APPOINTMENT OF ACCOUNTANTS, ECONOMISTS, AND EXAMINERS.—

''(1) APPLICABILITY.—This section shall apply with respect to any position of examiner, accountant, economist, and specialist in financial markets and in technology at the Agency, with respect to supervision and regulation of the regulated entities, that is in the competitive service.

''(2) APPOINTMENT AUTHORITY.—The Director may appoint candidates to any position described in paragraph (1)—

''(A) in accordance with the statutes, rules, and regulations governing appointments in the excepted service; and

''(B) notwithstanding any statutes, rules, and regulations governing appointments in the competitive service.''.

(c) AMENDMENTS TO INSPECTOR GENERAL ACT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting ''; the Director of the Federal Housing Finance Agency'' after ''Social Security Administration''; and

(2) in paragraph (2), by inserting '', the Federal Housing Finance Agency'' after ''Social Security Administration''.

(d) AUTHORITY TO CONTRACT FOR REVIEWS OF REGULATED ENTITIES.—Section 1319 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4519) is amended—

(1) in the section heading, by striking ''**ENTERPRISES BY RATING ORGANIZATION**'' and inserting ''**REGULATED ENTITIES**''; and

(2) by striking ''enterprises'' and inserting ''regulated entities''.

(e) OFFICE OF THE OMBUDSMAN.—Section 1317 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4517) is amended by adding at the end the following:

''(i) OMBUDSMAN.—The Director shall establish, by regulation, an Office of the Ombudsman within the Agency, which shall be responsible for considering complaints and appeals, from any regulated entity and any person that has a business relationship with a regulated entity, regarding any matter relating to the regulation and supervision of such regulated entity by the Agency. The regulation issued by the Director under this subsection shall specify the authority and duties of the Office of the Ombudsman.''.

SEC. 1106. ASSESSMENTS.

Section 1316 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4516) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ANNUAL ASSESSMENTS.—The Director shall establish and collect from the regulated entities annual assessments in an amount not exceeding the amount sufficient to provide for reasonable costs (including administrative costs) and expenses of the Agency, including—

''(1) the expenses of any examinations under section 1317 of this Act and under section 20 of the Federal Home Loan Bank Act;

''(2) the expenses of obtaining any reviews and credit assessments under section 1319;

''(3) such amounts in excess of actual expenses for any given year as deemed necessary by the Director to maintain a working capital fund in accordance with subsection (e); and

''(4) the windup of the affairs of the Office of Federal Housing Enterprise Oversight and the Federal Housing Finance Board under title III of the Federal Housing Finance Regulatory Reform Act of 2008.'';

(2) in subsection (b)—

(A) by realigning the margins of paragraph (2) two ems from the left, so as to align the left margin of such paragraph with the left margins of paragraph (1);

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(C) by inserting after paragraph (1) the following:

''(2) SEPARATE TREATMENT OF FEDERAL HOME LOAN BANK AND ENTERPRISE ASSESSMENTS.—Assessments collected from the enterprises shall not exceed the amounts sufficient to provide for the costs and expenses described in subsection (a) relating to the enterprises. Assessments collected from the Federal Home Loan Banks shall not exceed the amounts sufficient to provide for the costs and expenses described in subsection (a) relating to the Federal Home Loan Banks.'';

(3) by striking subsection (c) and inserting the following:

''(c) INCREASED COSTS OF REGULATION.—

''(1) INCREASE FOR INADEQUATE CAPITALIZATION.—The semiannual payments made pursuant to subsection (b) by any regulated entity that is not classified (for purposes of subtitle B) as adequately capitalized may be increased, as necessary, in the discretion of the Director to pay additional estimated costs of regulation of the regulated entity.

''(2) ADJUSTMENT FOR ENFORCEMENT ACTIVITIES.—The Director may adjust the amounts of any semiannual payments for an assessment under subsection (a) that are to be paid pursuant to subsection (b) by a regulated entity, as necessary in the discretion of the Director, to ensure that the costs of enforcement activities under this Act for a regulated entity are borne only by such regulated entity.

''(3) ADDITIONAL ASSESSMENT FOR DEFICIENCIES.—If at any time, as a result of increased costs of regulation of a regulated entity that is not classified (for purposes of subtitle B) as adequately capitalized or as the result of supervisory or enforcement activities under this Act for a regulated entity, the amount available from any semiannual payment made by such regulated entity pursuant to subsection (b) is insufficient to cover the costs of the Agency with respect to such entity, the Director may make and collect from such regulated entity an immediate assessment to cover the amount of such deficiency for the semiannual period. If, at the end of any semiannual period during which such an assessment is made, any amount remains from such assessment, such remaining amount shall be deducted from the assessment for such regulated entity for the following semiannual period.'';

(4) in subsection (d), by striking ''If'' and inserting ''Except with respect to amounts collected pursuant to subsection (a)(3), if''; and

(5) by striking subsections (e) through (g) and inserting the following:

''(e) WORKING CAPITAL FUND.—At the end of each year for which an assessment under this section is made, the Director shall remit to each regulated entity any amount of assessment collected from such regulated entity that is attributable to subsection (a)(3) and is in excess of the amount the Director deems necessary to maintain a working capital fund.

''(f) TREATMENT OF ASSESSMENTS.—

''(1) DEPOSIT.—Amounts received by the Director from assessments under this section may be deposited by the Director in the manner provided in section 5234 of the Revised Statutes of the United States (12 U.S.C. 192) for monies deposited by the Comptroller of the Currency.

''(2) NOT GOVERNMENT FUNDS.—The amounts received by the Director from any assessment under this section shall not be construed to be Government or public funds or appropriated money.

''(3) NO APPORTIONMENT OF FUNDS.—Notwithstanding any other provision of law, the amounts received by the Director from any assessment under this section shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.

''(4) USE OF FUNDS.—The Director may use any amounts received by the Director from assessments under this section for compensation of the Director and other employees of the Agency and for all other expenses of the Director and the Agency.

''(5) AVAILABILITY OF OVERSIGHT FUND AMOUNTS.—Notwithstanding any other provision of law, any amounts remaining in the Federal Housing Enterprises Oversight Fund established under this section (as in effect before the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, and any amounts remaining from assessments on the Federal Home Loan Banks pursuant to section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1438(b)), shall, upon such effective date, be treated for purposes of this subsection as amounts received from assessments under this section.

''(6) TREASURY INVESTMENTS.—

''(A) AUTHORITY.—The Director may request the Secretary of the Treasury to invest such portions of amounts received by the Director from assessments paid under this section that, in the Director's discretion, are not required to meet the current working needs of the Agency.

''(B) GOVERNMENT OBLIGATIONS.—Pursuant to a request under subparagraph (A), the Secretary of the Treasury shall invest such amounts in Government obligations guaranteed as to principal and interest by the United States with maturities suitable to

the needs of the Agency and bearing interest at a rate determined by the Secretary of the Treasury taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

''(g) BUDGET AND FINANCIAL MANAGEMENT.—

''(1) FINANCIAL OPERATING PLANS AND FORECASTS.—The Director shall provide to the Director of the Office of Management and Budget copies of the Director's financial operating plans and forecasts, as prepared by the Director in the ordinary course of the Agency's operations, and copies of the quarterly reports of the Agency's financial condition and results of operations, as prepared by the Director in the ordinary course of the Agency's operations.

''(2) FINANCIAL STATEMENTS.—The Agency shall prepare annually a statement of—

''(A) assets and liabilities and surplus or deficit;

''(B) income and expenses; and

''(C) sources and application of funds.

''(3) FINANCIAL MANAGEMENT SYSTEMS.—The Agency shall implement and maintain financial management systems that—

''(A) comply substantially with Federal financial management systems requirements and applicable Federal accounting standards; and

''(B) use a general ledger system that accounts for activity at the transaction level.

''(4) ASSERTION OF INTERNAL CONTROLS.—The Director shall provide to the Comptroller General of the United States an assertion as to the effectiveness of the internal controls that apply to financial reporting by the Agency, using the standards established in section 3512(c) of title 31, United States Code.

''(5) RULE OF CONSTRUCTION.—This subsection may not be construed as implying any obligation on the part of the Director to consult with or obtain the consent or approval of the Director of the Office of Management and Budget with respect to any report, plan, forecast, or other information referred to in paragraph (1) or any jurisdiction or oversight over the affairs or operations of the Agency.

''(h) AUDIT OF AGENCY.—

''(1) IN GENERAL.—The Comptroller General shall annually audit the financial transactions of the Agency in accordance with the United States generally accepted government auditing standards as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where accounts of the Agency are normally kept. The representatives of the Government Accountability Office shall have access to the personnel and to all books, accounts, documents, papers, records (including electronic records), reports, files, and all other papers, automated data, things, or property belonging to or under the control of or used or employed by the Agency pertaining to its financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, documents, records, reports, files, papers, and property of the Agency shall remain in possession and custody of the Agency. The Comptroller General may obtain and duplicate any such books, accounts, documents, records, working papers, automated data and files, or other information relevant to such audit without cost to the Comptroller General and the Comptroller General's right of access to such information shall be enforceable pursuant to section 716(c) of title 31, United States Code.

''(2) REPORT.—The Comptroller General shall submit to the Congress a report of each annual audit conducted under this subsection. The report to the Congress shall set forth the scope of the audit and shall include the statement of assets and liabilities and surplus or deficit, the statement of income and expenses, the statement of sources and application of funds, and such comments and information as may be deemed necessary to inform Congress of the financial operations and condition of the Agency, together with such recommendations with respect thereto as the Comptroller General may deem advisable. A copy of each report shall be furnished to the President and to the Agency at the time submitted to the Congress.

''(3) ASSISTANCE AND COSTS.—For the purpose of conducting an audit under this subsection, the Comptroller General may, in the discretion of the Comptroller General, employ by contract, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), professional services of firms and organizations of certified public accountants for temporary periods or for special purposes. Upon the request of the Comptroller General, the Director of the Agency shall transfer to the Government Accountability Office from funds available, the amount requested by the Comptroller General to cover the full costs of any audit and report conducted by the Comptroller General. The Comptroller General shall credit funds transferred to the account established for salaries and expenses of the Government Accountability Office, and such amount shall be available upon receipt and without fiscal year limitation to cover the full costs of the audit and report.''.

SEC. 1107. REGULATIONS AND ORDERS.

Section 1319G of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4526) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) AUTHORITY.—The Director shall issue any regulations, guidelines, or orders necessary to carry out the duties of the Director under this title or the authorizing statutes, and to ensure that the purposes of this title and the authorizing statutes are accomplished.''; and

(2) by striking subsection (c).

SEC. 1108. PRUDENTIAL MANAGEMENT AND OPERATIONS STANDARDS.

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended by inserting after section 1313A, as added by this Act, the following new section:

''SEC. 1313B. PRUDENTIAL MANAGEMENT AND OPERATIONS STANDARDS.

''(a) STANDARDS.—The Director shall establish standards, by regulation or guideline, for each regulated entity relating to—

''(1) adequacy of internal controls and information systems taking into account the nature and scale of business operations;

''(2) independence and adequacy of internal audit systems;

''(3) management of interest rate risk exposure;

''(4) management of market risk, including standards that provide for systems that accurately measure, monitor, and control market risks and, as warranted, that establish limitations on market risk;

''(5) adequacy and maintenance of liquidity and reserves;

''(6) management of asset and investment portfolio growth;

''(7) investments and acquisitions of assets by a regulated entity, to ensure that they are consistent with the purposes of this title and the authorizing statutes;

''(8) overall risk management processes, including adequacy of oversight by senior management and the board of directors and of processes and policies to identify, measure, monitor, and control material risks, including reputational risks, and for adequate, well-tested business resumption plans for all major systems with remote site facilities to protect against disruptive events;

''(9) management of credit and counterparty risk, including systems to identify concentrations of credit risk and prudential limits to restrict exposure of the regulated entity to a single counterparty or groups of related counterparties;

''(10) maintenance of adequate records, in accordance with consistent accounting policies and practices that enable the Director to evaluate the financial condition of the regulated entity; and

''(11) such other operational and management standards as the Director determines to be appropriate.

''(b) FAILURE TO MEET STANDARDS.—

''(1) PLAN REQUIREMENT.—

''(A) IN GENERAL.—If the Director determines that a regulated entity fails to meet any standard established under subsection (a)—

''(i) if such standard is established by regulation, the Director shall require the regulated entity to submit an acceptable plan to the Director within the time allowed under subparagraph (C); and

''(ii) if such standard is established by guideline, the Director may require the regulated entity to submit a plan described in clause (i).

''(B) CONTENTS.—Any plan required under subparagraph (A) shall specify the actions that the regulated entity will take to correct the deficiency. If the regulated entity is undercapitalized, the plan may be a part of the capital restoration plan for the regulated entity under section 1369C.

''(C) DEADLINES FOR SUBMISSION AND REVIEW.—The Director shall by regulation establish deadlines that—

''(i) provide the regulated entities with reasonable time to submit plans required under subparagraph (A), and generally require a regulated entity to submit a plan not later than 30 days after the Director determines that the entity fails to meet any standard established under subsection (a); and

''(ii) require the Director to act on plans expeditiously, and generally not later than 30 days after the plan is submitted.

''(2) REQUIRED ORDER UPON FAILURE TO SUBMIT OR IMPLEMENT PLAN.—If a regulated entity fails to submit an acceptable plan within the time allowed under paragraph (1)(C), or fails in any material respect to implement a plan accepted by the Director, the following shall apply:

''(A) REQUIRED CORRECTION OF DEFICIENCY.—The Director shall, by order, require the regulated entity to correct the deficiency.

''(B) OTHER AUTHORITY.—The Director may, by order, take one or more of the following actions until the deficiency is corrected:

''(i) Prohibit the regulated entity from permitting its average total assets (as such term is defined in section 1316(b)) during any calendar quarter to exceed its average total assets during the preceding calendar quarter, or restrict the rate at which the average total assets of the entity may increase from one calendar quarter to another.

''(ii) Require the regulated entity—

''(I) in the case of an enterprise, to increase its ratio of core capital to assets.

''(II) in the case of a Federal Home Loan Bank, to increase its ratio of total capital (as such term is defined in section 6(a)(5) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(5)) to assets.

''(iii) Require the regulated entity to take any other action that the Director determines will better carry out the purposes of this section than any of the actions described in this subparagraph.

''(3) MANDATORY RESTRICTIONS.—In complying with paragraph (2), the Director shall take one or more of the actions described in clauses (i) through (iii) of paragraph (2)(B) if—

''(A) the Director determines that the regulated entity fails to meet any standard prescribed under subsection (a);

''(B) the regulated entity has not corrected the deficiency; and

''(C) during the 18-month period before the date on which the regulated entity first failed to meet the standard, the entity underwent extraordinary growth, as defined by the Director.

''(c) OTHER ENFORCEMENT AUTHORITY NOT AFFECTED.—The authority of the Director under this section is in addition to any other authority of the Director.''.

SEC. 1109. REVIEW OF AND AUTHORITY OVER ENTERPRISE ASSETS AND LIABILITIES.

(a) IN GENERAL.—Subtitle B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4611 et seq.) is amended—

(1) by striking the subtitle designation and heading and inserting the following:

''Subtitle B—Required Capital Levels for Regulated Entities, Special Enforcement Powers, and Reviews of Assets and Liabilities'';

and

(2) by adding at the end the following new section:

''SEC. 1369E. REVIEWS OF ENTERPRISE ASSETS AND LIABILITIES.

''(a) IN GENERAL.—The Director shall, by regulation, establish criteria governing the portfolio holdings of the enterprises, to ensure that the holdings are backed by sufficient capital and consistent with the mission and the safe and sound operations of the enterprises. In establishing such criteria, the Director shall consider the ability of the enterprises to provide a liquid secondary market through securitization activities, the portfolio holdings in relation to the overall mortgage market, and adherence to the standards specified in section 1313B.

''(b) TEMPORARY ADJUSTMENTS.—The Director may, by order, make temporary adjustments to the established standards for an enterprise or both enterprises, such as during times of economic distress or market disruption.

''(c) AUTHORITY TO REQUIRE DISPOSITION OR ACQUISITION.—The Director shall monitor the portfolio of each enterprise. Pursuant to subsection (a) and notwithstanding the capital classifications of the enterprises, the Director may, by order, require an enterprise, under such terms and conditions as the Director determines to be appropriate, to dispose of or acquire any asset, if the Director determines that such action is consistent with the purposes of this Act or any of the authorizing statutes.''.

(b) REGULATIONS.—Not later than the expiration of the 180-day period beginning on the effective date of this Act, the Director shall issue regulations pursuant to section 1369E(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (as added by subsection (a) of this section) establishing the portfolio holdings standards under such section.

SEC. 1110. RISK-BASED CAPITAL REQUIREMENTS.

(a) IN GENERAL.—Section 1361 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4611) is amended to read as follows:

''SEC. 1361. RISK-BASED CAPITAL LEVELS FOR REGULATED ENTITIES.

''(a) IN GENERAL.—

''(1) ENTERPRISES.—The Director shall, by regulation, establish risk-based capital requirements for the enterprises to ensure that the enterprises operate in a safe and sound manner, maintaining sufficient capital and reserves to support the risks that arise in the operations and management of the enterprises.

''(2) FEDERAL HOME LOAN BANKS.—The Director shall establish risk-based capital standards under section 6 of the Federal Home Loan Bank Act for the Federal Home Loan Banks.

''(b) NO LIMITATION.—Nothing in this section shall limit the authority of the Director to require other reports or undertakings, or take other action, in furtherance of the responsibilities of the Director under this Act.''.

(b) FEDERAL HOME LOAN BANKS RISK-BASED CAPITAL.—Section 6(a)(3) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(3)) is amended—

(1) by striking subparagraph (A) and inserting the following:

''(A) RISK-BASED CAPITAL STANDARDS.—The Director shall, by regulation, establish risk-based capital standards for the Federal Home Loan Banks to ensure that the Federal Home Loan Banks operate in a safe and sound manner, with sufficient permanent capital and reserves to support the risks that arise in the operations and management of the Federal Home Loans Banks.''; and

(2) in subparagraph (B), by striking ''(A)(ii)'' and inserting ''(A)''.

SEC. 1111. MINIMUM CAPITAL LEVELS.

Section 1362 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4612) is amended—

(1) in subsection (a), by striking ''IN GENERAL'' and inserting ''ENTERPRISES''; and

(2) by striking subsection (b) and inserting the following:

''(b) FEDERAL HOME LOAN BANKS.—For purposes of this subtitle, the minimum capital level for each Federal Home Loan Bank shall be the minimum capital required to be maintained to comply with the leverage requirement for the bank established under section 6(a)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(2)).

''(c) ESTABLISHMENT OF REVISED MINIMUM CAPITAL LEVELS.—Notwithstanding subsections (a) and (b) and notwithstanding the capital classifications of the regulated entities, the Director may, by regulations issued under section 1319G, establish a minimum capital level for the enterprises, for the Federal Home Loan Banks, or for both the enterprises and the banks, that is higher than the level specified in subsection (a) for the enterprises or the level specified in subsection (b) for the Federal Home Loan Banks, to the extent needed to ensure that the regulated entities operate in a safe and sound manner.

''(d) AUTHORITY TO REQUIRE TEMPORARY INCREASE.—

''(1) IN GENERAL.—Notwithstanding subsections (a) and (b) and any minimum capital level established pursuant to subsection (c), the Director may, by order, increase the minimum capital level for a regulated entity on a temporary basis, when the Director determines that such an increase is necessary and consistent with the prudential regulation and the safe and sound operations of a regulated entity.

''(2) RESCISSION.—The Director shall rescind any temporary minimum capital level established under paragraph (1) when the Director determines that the circumstances or facts no longer justify the temporary minimum capital level.

''(3) REGULATIONS REQUIRED.—The Director shall issue regulations establishing—

''(A) standards for the imposition of a temporary increase in minimum capital under paragraph (1);

''(B) the standards and procedures that the Director will use to make the determination referred to in paragraph (2); and

''(C) a reasonable time frame for periodic review of any temporary increase in minimum capital for the purpose of making the determination referred to in paragraph (2).

''(e) AUTHORITY TO ESTABLISH ADDITIONAL CAPITAL AND RESERVE REQUIREMENTS FOR PARTICULAR PURPOSES.—The Director may, at any time by order or regulation, establish such capital or reserve requirements with respect to any product or activity of a regulated entity, as the Director considers appropriate to ensure that the regulated entity operates in a safe and sound manner, with sufficient capital and reserves to support the risks that arise in the operations and management of the regulated entity.

''(f) PERIODIC REVIEW.—The Director shall periodically review the amount of core capital maintained by the enterprises, the amount of capital retained by the Federal Home Loan Banks, and the minimum capital levels established for such regulated entities pursuant to this section.''.

SEC. 1112. REGISTRATION UNDER THE SECURITIES LAWS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following:

''SEC. 38. FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOME LOAN MORTGAGE CORPORATION, FEDERAL HOME LOAN BANKS.

''(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOME LOAN MORTGAGE CORPORATION.—No class of equity securities of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation shall be treated as an exempted security for purposes of section 12, 13, 14, or 16.

''(b) FEDERAL HOME LOAN BANKS.—

''(1) REGISTRATION.—Each Federal Home Loan Bank shall register a class of its common stock under section 12(g), not later than 120 days after the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008, and shall thereafter maintain such registration and be treated for purposes of this title as an 'issuer', the securities of which are required to be registered under section 12, regardless of the number of members holding such stock at any given time.

''(2) STANDARDS RELATING TO AUDIT COMMITTEES.—Each Federal Home Loan Bank shall comply with the rules issued by the Commission under section 10A(m).

''(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) FEDERAL HOME LOAN BANK; MEMBER.—The terms 'Federal Home Loan Bank' and 'member', have the same meanings as in section 2 of the Federal Home Loan Bank Act.

''(2) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—The term 'Federal National Mortgage Association' means the corporation created by the Federal National Mortgage Association Charter Act.

''(3) FEDERAL HOME LOAN MORTGAGE CORPORATION.—The term 'Federal Home Loan Mortgage Corporation' means the corporation created by the Federal Home Loan Mortgage Corporation Act.''.

SEC. 1113. PROHIBITION AND WITHHOLDING OF EXECUTIVE COMPENSATION.

(a) IN GENERAL.—Section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518) is amended—

(1) in the section heading, by striking ''**OF EXCESSIVE**'' and inserting ''**AND WITHHOLDING OF EXECUTIVE**'';

(2) by redesignating subsection (b) as subsection (d); and

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

''(b) FACTORS.—In making any determination under subsection (a), the Director may take into consideration any factors the Director considers relevant, including any wrongdoing on the part of the executive officer, and such wrongdoing shall include any fraudulent act or omission, breach of trust or fiduciary duty, violation of law, rule, regulation, order, or written agreement, and insider abuse with respect to the regulated entity. The approval of an agreement or contract pursuant to section 309(d)(3)(B) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(d)(3)(B)) or section 303(h)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(h)(2)) shall not preclude the Director from making any subsequent determination under subsection (a).

''(c) WITHHOLDING OF COMPENSATION.—In carrying out subsection (a), the Director may require a regulated entity to withhold any payment, transfer, or disbursement of compensation to an executive officer, or to place such compensation in an escrow account, during the review of the reasonableness and comparability of compensation.''.

(b) CONFORMING AMENDMENTS.—

(1) FANNIE MAE.—Section 309(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(d)) is amended by adding at the end the following new paragraph:

''(4) Notwithstanding any other provision of this section, the corporation shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

(2) FREDDIE MAC.—Section 303(h) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(h)) is amended by adding at the end the following new paragraph:

''(4) Notwithstanding any other provision of this section, the Corporation shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

(3) FEDERAL HOME LOAN BANKS.—Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended by adding at the end the following new subsection:

''(l) WITHHOLDING OF COMPENSATION.—Notwithstanding any other provision of this section, a Federal Home Loan Bank shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

SEC. 1114. LIMIT ON GOLDEN PARACHUTES.

Section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518) is amended by adding at the end the following:

''(e) AUTHORITY TO REGULATE OR PROHIBIT CERTAIN FORMS OF BENEFITS TO AFFILIATED PARTIES.—

''(1) GOLDEN PARACHUTES AND INDEMNIFICATION PAYMENTS.—The Director may prohibit or limit, by regulation or order, any golden parachute payment or indemnification payment.

''(2) FACTORS TO BE TAKEN INTO ACCOUNT.—The Director shall prescribe, by regulation, the factors to be considered by the Director in taking any action pursuant to paragraph (1), which may include such factors as—

''(A) whether there is a reasonable basis to believe that the affiliated party has committed any fraudulent act or omission, breach of trust or fiduciary duty, or insider abuse with regard to the regulated entity that has had a material effect on the financial condition of the regulated entity;

''(B) whether there is a reasonable basis to believe that the affiliated party is substantially responsible for the insolvency of the regulated entity, the appointment of a conservator or receiver for the regulated entity, or the troubled condition of the regulated entity (as defined in regulations prescribed by the Director);

''(C) whether there is a reasonable basis to believe that the affiliated party has materially violated any applicable provision of Federal or State law or regulation that has had a material effect on the financial condition of the regulated entity;

''(D) whether the affiliated party was in a position of managerial or fiduciary responsibility; and

''(E) the length of time that the party was affiliated with the regulated entity, and the degree to which—

''(i) the payment reasonably reflects compensation earned over the period of employment; and

''(ii) the compensation involved represents a reasonable payment for services rendered.

''(3) CERTAIN PAYMENTS PROHIBITED.—No regulated entity may prepay the salary or any liability or legal expense of any affiliated party if such payment is made—

''(A) in contemplation of the insolvency of such regulated entity, or after the commission of an act of insolvency; and

''(B) with a view to, or having the result of—

''(i) preventing the proper application of the assets of the regulated entity to creditors; or

''(ii) preferring one creditor over another.

''(4) GOLDEN PARACHUTE PAYMENT DEFINED.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'golden parachute payment' means any payment (or any agreement to make any payment) in the nature of compensation by any regulated entity for the benefit of any affiliated party pursuant to an obligation of such regulated entity that—

''(i) is contingent on the termination of such party's affiliation with the regulated entity; and

''(ii) is received on or after the date on which—

''(I) the regulated entity became insolvent;

''(II) any conservator or receiver is appointed for such regulated entity; or

''(III) the Director determines that the regulated entity is in a troubled condition (as defined in the regulations of the Director).

''(B) CERTAIN PAYMENTS IN CONTEMPLATION OF AN EVENT.—Any payment which would be a golden parachute payment but for the fact that such payment was made before the date referred to in subparagraph (A)(ii) shall be treated as a golden parachute payment if the payment was made in contemplation of the occurrence of an event described in any subclause of such subparagraph.

''(C) CERTAIN PAYMENTS NOT INCLUDED.—For purposes of this subsection, the term 'golden parachute payment' shall not include—

''(i) any payment made pursuant to a retirement plan which is qualified (or is intended to be qualified) under section 401 of the Internal Revenue Code of 1986, or other nondiscriminatory benefit plan;

''(ii) any payment made pursuant to a bona fide deferred compensation plan or arrangement which the Director determines, by regulation or order, to be permissible; or

''(iii) any payment made by reason of the death or disability of an affiliated party.

''(5) OTHER DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) INDEMNIFICATION PAYMENT.—Subject to paragraph (6), the term 'indemnification payment' means any payment (or any agreement to make any payment) by any regulated entity for the benefit of any person who is or was an affiliated party, to pay or reimburse such person for any liability or legal expense with regard to any administrative proceeding or civil action instituted by the Agency which results in a final order under which such person—

''(i) is assessed a civil money penalty;

''(ii) is removed or prohibited from participating in conduct of the affairs of the regulated entity; or

''(iii) is required to take any affirmative action to correct certain conditions resulting from violations or practices, by order of the Director.

''(B) LIABILITY OR LEGAL EXPENSE.—The term 'liability or legal expense' means—

''(i) any legal or other professional expense incurred in connection with any claim, proceeding, or action;

''(ii) the amount of, and any cost incurred in connection with, any settlement of any claim, proceeding, or action; and

''(iii) the amount of, and any cost incurred in connection with, any judgment or penalty imposed with respect to any claim, proceeding, or action.

''(C) PAYMENT.—The term 'payment' includes—

''(i) any direct or indirect transfer of any funds or any asset; and

''(ii) any segregation of any funds or assets for the purpose of making, or pursuant to an agreement to make, any payment after the date on which such funds or assets are segregated, without regard to whether the obligation to make such payment is contingent on—

''(I) the determination, after such date, of the liability for the payment of such amount; or

''(II) the liquidation, after such date, of the amount of such payment.

''(6) CERTAIN COMMERCIAL INSURANCE COVERAGE NOT TREATED AS COVERED BENEFIT PAYMENT.—No provision of this subsection shall be construed as prohibiting any regulated entity from purchasing any commercial insurance policy or fidelity bond, except that, subject to any requirement described in paragraph (5)(A)(iii), such insurance policy or bond shall not cover any legal or liability expense of the regulated entity which is described in paragraph (5)(A).''.

SEC. 1115. REPORTING OF FRAUDULENT LOANS.

Part 1 of subtitle C of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4631 et seq.), as amended by this Act, is amended by adding at the end the following:

''SEC. 1379E. REPORTING OF FRAUDULENT LOANS.

''(a) REQUIREMENT TO REPORT.—The Director shall require a regulated entity to submit to the Director a timely report upon discovery by the regulated entity that it has purchased or sold a fraudulent loan or financial instrument, or suspects a possible fraud relating to the purchase or sale of any loan or financial instrument. The Director shall require each regulated entity to establish and maintain procedures designed to discover any such transactions.

''(b) PROTECTION FROM LIABILITY FOR REPORTS.—Any regulated entity that, in good faith, makes a report pursuant to subsection (a), and any entity-affiliated party, that, in good faith, makes or requires another to make any such report, shall not be liable to any person under any provision of law or regulation, any constitution, law, or regulation

of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement) for such report or for any failure to provide notice of such report to the person who is the subject of such report or any other persons identified in the report.''.

Subtitle B—Improvement of Mission Supervision

SEC. 1121. TRANSFER OF PROGRAM APPROVAL AND HOUSING GOAL OVERSIGHT.

Part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended—

(1) by striking the heading for the part and inserting the following:

''PART 2—ADDITIONAL AUTHORITIES OF THE DIRECTOR'';

and

(2) by striking sections 1321 and 1322.

SEC. 1122. ASSUMPTION BY THE DIRECTOR OF CERTAIN OTHER HUD RESPONSIBILITIES.

(a) IN GENERAL.—Part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended—

(1) by striking ''Secretary'' each place that term appears and inserting ''Director'' in each of sections 1323, 1326, 1327, 1328, and 1336; and

(2) by striking sections 1338 and 1349 (12 U.S.C. 4562 note and 4589).

(b) RETENTION OF FAIR HOUSING RESPONSIBILITIES.—Section 1325 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4545) is amended in the matter preceding paragraph (1), by inserting ''of Housing and Urban Development'' after ''The Secretary''.

SEC. 1123. REVIEW OF ENTERPRISE PRODUCTS.

Part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended by inserting before section 1323 the following:

''SEC. 1321. PRIOR APPROVAL AUTHORITY FOR PRODUCTS.

''(a) IN GENERAL.—The Director shall require each enterprise to obtain the approval of the Director for any product of the enterprise before initially offering the product.

''(b) STANDARD FOR APPROVAL.—In considering any request for approval of a product pursuant to subsection (a), the Director shall make a determination that—

''(1) in the case of a product of the Federal National Mortgage Association, the product is authorized under paragraph (2), (3), (4), or (5) of section 302(b) or section 304 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b), 1719);

''(2) in the case of a product of the Federal Home Loan Mortgage Corporation, the product is authorized under paragraph (1), (4), or (5) of section 305(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a));

''(3) the product is in the public interest; and

''(4) the product is consistent with the safety and soundness of the enterprise or the mortgage finance system.

''(c) PROCEDURE FOR APPROVAL.—

''(1) SUBMISSION OF REQUEST.—An enterprise shall submit to the Director a written request for approval of a product that describes the product in such form as prescribed by order or regulation of the Director.

''(2) REQUEST FOR PUBLIC COMMENT.—Immediately upon receipt of a request for approval of a product, as required under paragraph (1), the Director shall publish notice of such request and of the period for public comment pursuant to paragraph (3) regarding the product, and a description of the product proposed by the request. The Director shall give interested parties the opportunity to respond in writing to the proposed product.

''(3) PUBLIC COMMENT PERIOD.—During the 30-day period beginning on the date of publication pursuant to paragraph (2) of a request for approval of a product, the Director shall receive public comments regarding the proposed product.

''(4) OFFERING OF PRODUCT.—

''(A) IN GENERAL.—Not later than 30 days after the close of the public comment period described in paragraph (3), the Director shall approve or deny the product, specifying the grounds for such decision in writing.

''(B) FAILURE TO ACT.—If the Director fails to act within the 30-day period described in subparagraph (A), then the enterprise may offer the product.

''(C) TEMPORARY APPROVAL.—The Director may, subject to the rules of the Director, provide for temporary approval of the offering of a product without a public comment period, if the Director finds that the existence of exigent circumstances makes such delay contrary to the public interest.

''(d) CONDITIONAL APPROVAL.—If the Director approves the offering of any product by an enterprise, the Director may establish terms, conditions, or limitations with respect to such product with which the enterprise must comply in order to offer such product.

''(e) EXCLUSIONS.—

''(1) IN GENERAL.—The requirements of subsections (a) through (d) do not apply with respect to—

''(A) the automated loan underwriting system of an enterprise in existence as of the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008, including any upgrade to the technology, operating system, or software to operate the underwriting system;

''(B) any modification to the mortgage terms and conditions or mortgage underwriting criteria relating to the mortgages that are purchased or guaranteed by an enterprise, provided that such modifications do not alter the underlying transaction so as to include services or financing, other than residential mortgage financing; or

''(C) any other activity that is substantially similar, as determined by rule of the Director to—

''(i) the activities described in subparagraphs (A) and (B); and

''(ii) other activities that have been approved by the Director in accordance with this section.

''(2) EXPEDITED REVIEW.—

''(A) ENTERPRISE NOTICE.—For any new activity that an enterprise considers not to be a product, the enterprise shall provide written notice to the Director of such activity, and may not commence such activity until the date of receipt of a notice under subparagraph (B) or the expiration of the period described in subparagraph (C). The Director shall establish, by regulation, the form and content of such written notice.

''(B) DIRECTOR DETERMINATION.—Not later than 15 days after the date of receipt of a notice under subparagraph (A), the Director shall determine whether such activity is a product subject to approval under this section. The Director shall, immediately upon so determining, notify the enterprise.

''(C) FAILURE TO ACT.—If the Director fails to determine whether such activity is a product within the 15-day period described in subparagraph (B), the enterprise may commence the new activity in accordance with subparagraph (A).

''(f) NO LIMITATION.—Nothing in this section may be construed to restrict—

''(1) the safety and soundness authority of the Director over all new and existing products or activities; or

''(2) the authority of the Director to review all new and existing products or activities to determine that such products or activities are consistent with the statutory mission of an enterprise.''.

SEC. 1124. CONFORMING LOAN LIMITS.

(a) FANNIE MAE.—

(1) GENERAL LIMIT.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended by striking the 7th and 8th sentences and inserting the following new sentences: ''Such limitations shall not exceed $417,000 for a mortgage secured by a single-family residence, $533,850 for a mortgage secured by a 2-family residence, $645,300 for a mortgage secured by a 3-family residence, and $801,950 for a mortgage secured by a 4-family residence, except that such maximum limitations shall be adjusted effective January 1 of each year beginning after the effective date of Federal Housing Finance Regulatory Reform Act of 2008, subject to the limitations in this paragraph. Each adjustment shall be made by adding to each such amount (as it may have been previously adjusted) a percentage thereof equal to the percentage increase, during the most recent 12-month or 4th-quarter period ending before the time of determining such annual adjustment, in the housing price index maintained by the Director of the Federal Housing Finance Agency (pursuant to section 1322 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541)). If the change in such house price index during the most recent 12-month or 4th-quarter period ending before the time of determining such annual adjustment is a decrease, then no adjustment shall be made for the next year, and the next adjustment shall take into account prior declines in the house price index, so that any adjustment shall reflect the net change in the house price index since the last adjustment. Declines in the house price index shall be accumulated and then reduce increases until subsequent increases exceed prior declines.''.

(2) HIGH-COST AREA LIMIT.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended by adding after the period at the end the following: ''Such foregoing limitations shall also be increased with respect to properties of a particular size located in any area for which the median price for such size residence exceeds the foregoing limitation for such size residence, to the lesser of 150 percent of such foregoing limitation for such size residence or the amount that is equal to the median price in such area for such size residence.''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) of this subsection shall take effect upon the expiration of the date described in section 201(a) of the Economic Stimulus Act of 2008 (Public Law 110–185).

(b) FREDDIE MAC.—

(1) GENERAL LIMIT.—Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended by striking the 6th and 7th sentences and inserting the following new sentences: ''Such limitations shall not exceed $417,000 for a mortgage secured by a single-family residence, $533,850 for a mortgage secured by a 2-family residence, $645,300 for a mortgage secured by a 3-family residence, and $801,950 for a mortgage secured by a 4-family residence, except that such maximum limitations shall be adjusted effective January 1 of each year beginning

after the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, subject to the limitations in this paragraph. Each adjustment shall be made by adding to each such amount (as it may have been previously adjusted) a percentage thereof equal to the percentage increase, during the most recent 12-month or fourth-quarter period ending before the time of determining such annual adjustment, in the housing price index maintained by the Director of the Federal Housing Finance Agency (pursuant to section 1322 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541)). If the change in such house price index during the most recent 12-month or 4th-quarter period ending before the time of determining such annual adjustment is a decrease, then no adjustment shall be made for the next year, and the next adjustment shall take into account prior declines in the house price index, so that any adjustment shall reflect the net change in the house price index since the last adjustment. Declines in the house price index shall be accumulated and then reduce increases until subsequent increases exceed prior declines.''.

(2) HIGH-COST AREA LIMIT.—Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act is amended by adding after the period at the end the following: ''Such foregoing limitations shall also be increased with respect to properties of a particular size located in any area for which the median price for such size residence exceeds the foregoing limitation for such size residence, to the lesser of 150 percent of such foregoing limitation for such size residence or the amount that is equal to the median price in such area for such size residence.''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) of this subsection shall take effect upon the expiration of the date described in section 201(a) of the Economic Stimulus Act of 2008 (Public Law 110–185).

(c) SENSE OF CONGRESS.—It is the sense of the Congress that the securitization of mortgages by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation plays an important role in providing liquidity to the United States housing markets. Therefore, the Congress encourages the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to securitize mortgages acquired under the increased conforming loan limits established under this Act.

(d) HOUSING PRICE INDEX.—Part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended by inserting after section 1321 (as added by section 1123 of this Act) the following new section:

''SEC. 1322. HOUSING PRICE INDEX.

''The Director shall establish and maintain a method of assessing the national average 1-family house price for use for adjusting the conforming loan limitations of the enterprises. In establishing such method, the Director shall take into consideration the monthly survey of all major lenders conducted by the Federal Housing Finance Agency to determine the national average 1-family house price, the House Price Index maintained by the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development before the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, any appropriate house price indexes of the Bureau of the Census of the Department of Commerce, and any other indexes or measures that the Director considers appropriate.''.

SEC. 1125. ANNUAL HOUSING REPORT.

(a) REPEAL.—Section 1324 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4544) is hereby repealed.

(b) ANNUAL HOUSING REPORT.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended by inserting after section 1323 the following:

''SEC. 1324. ANNUAL HOUSING REPORT.

''(a) IN GENERAL.—After reviewing and analyzing the reports submitted under section 309(n) of the Federal National Mortgage Association Charter Act and section 307(f) of the Federal Home Loan Mortgage Corporation Act, the Director shall submit a report, not later than October 30 of each year, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, on the activities of each enterprise.

''(b) CONTENTS.—The report required under subsection (a) shall—

''(1) discuss—

''(A) the extent to and manner in which—

''(i) each enterprise is achieving the annual housing goals established under subpart B;

''(ii) each enterprise is complying with its duty to serve underserved markets, as established under section 1335;

''(iii) each enterprise is complying with section 1337;

''(iv) each enterprise received credit towards achieving each of its goals resulting from a transaction or activity pursuant to section 1331(b)(2); and

''(v) each enterprise is achieving the purposes of the enterprise established by law; and

''(B) the actions that each enterprise could undertake to promote and expand the purposes of the enterprise;

''(2) aggregate and analyze relevant data on income to assess the compliance of each enterprise with the housing goals established under subpart B;

''(3) aggregate and analyze data on income, race, and gender by census tract and other relevant classifications, and compare such data with larger demographic, housing, and economic trends;

''(4) identify the extent to which each enterprise is involved in mortgage purchases and secondary market activities involving subprime and nontraditional loans;

''(5) compare the characteristics of subprime and nontraditional loans both purchased and securitized by each enterprise to other loans purchased and securitized by each enterprise; and

''(6) compare the characteristics of high-cost loans purchased and securitized, where such securities are not held on portfolio to loans purchased and securitized, where such securities are either retained on portfolio or repurchased by the enterprise, including such characteristics as—

''(A) the purchase price of the property that secures the mortgage;

''(B) the loan-to-value ratio of the mortgage, which shall reflect any secondary liens on the relevant property;

''(C) the terms of the mortgage;

''(D) the creditworthiness of the borrower; and

''(E) any other relevant data, as determined by the Director.

''(c) DATA COLLECTION AND REPORTING.—

''(1) IN GENERAL.—To assist the Director in analyzing the matters described in subsection (b), the Director shall conduct, on a monthly basis, a survey of mortgage markets in accordance with this subsection.

''(2) DATA POINTS.—Each monthly survey conducted by the Director under paragraph (1) shall collect data on—

''(A) the characteristics of individual mortgages that are eligible for purchase by the enterprises and the characteristics of individual mortgages that are not eligible for purchase by the enterprises including, in both cases, information concerning—

''(i) the price of the house that secures the mortgage;

''(ii) the loan-to-value ratio of the mortgage, which shall reflect any secondary liens on the relevant property;

''(iii) the terms of the mortgage;

''(iv) the creditworthiness of the borrower or borrowers; and

''(v) whether the mortgage, in the case of a conforming mortgage, was purchased by an enterprise;

''(B) the characteristics of individual subprime and nontraditional mortgages that are eligible for purchase by the enterprises and the characteristics of borrowers under such mortgages, including the creditworthiness of such borrowers and determination whether such borrowers would qualify for prime lending; and

''(C) such other matters as the Director determines to be appropriate.

''(3) PUBLIC AVAILABILITY.—The Director shall make any data collected by the Director in connection with the conduct of a monthly survey available to the public in a timely manner, provided that the Director may modify the data released to the public to ensure that the data—

''(A) is not released in an identifiable form; and

''(B) is not otherwise obtainable from other publicly available data sets.

''(4) DEFINITION.—For purposes of this subsection, the term 'identifiable form' means any representation of information that permits the identity of a borrower to which the information relates to be reasonably inferred by either direct or indirect means.''.

SEC. 1126. PUBLIC USE DATABASE.

Section 1323 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (42 U.S.C. 4543) is amended—

(1) in subsection (a)—

(A) by striking ''(a) IN GENERAL.—The Secretary'' and inserting the following:

''(a) AVAILABILITY.—

''(1) IN GENERAL.—The Director''; and

(B) by adding at the end the following new paragraph:

''(2) CENSUS TRACT LEVEL REPORTING.—Such data shall include the data elements required to be reported under the Home Mortgage Disclosure Act of 1975, at the census tract level.'';

(2) in subsection (b)(2), by inserting before the period at the end the following: ''or with subsection (a)(2)''; and

(3) by adding at the end the following new subsection:

''(d) TIMING.—Data submitted under this section by an enterprise in connection with a provision referred to in subsection (a) shall be made publicly available in accordance with this section not later than September 30 of the year following the year to which the data relates.''.

SEC. 1127. REPORTING OF MORTGAGE DATA.

Section 1326 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4546) is amended—

(1) in subsection (a), by striking ''The Director'' and inserting ''Subject to subsection (d), the Director''; and

(2) by adding at the end the following:

''(d) MORTGAGE INFORMATION.—Subject to privacy considerations, as described in section 304(j) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(j)), the Director shall, by regulation or order, provide that certain information relating to single family

mortgage data of the enterprises shall be disclosed to the public, in order to make available to the public—

''(1) the same data from the enterprises that is required of insured depository institutions under the Home Mortgage Disclosure Act of 1975; and

''(2) information collected by the Director under section 1324(b)(6).''.

SEC. 1128. REVISION OF HOUSING GOALS.

(a) REPEAL.—Sections 1331 through 1334 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4561 through 4564) are hereby repealed.

(b) HOUSING GOAL.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended by inserting before section 1335 the following:

''SEC. 1331. ESTABLISHMENT OF HOUSING GOALS.

''(a) IN GENERAL.—The Director shall, by regulation, establish effective for the first calendar year that begins after the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008, and each year thereafter, annual housing goals, as described under this subpart, with respect to the mortgage purchases by the enterprises.

''(b) SPECIAL COUNTING REQUIREMENTS.—

''(1) IN GENERAL.—The Director shall determine whether an enterprise shall receive full, partial, or no credit for a transaction toward achievement of any of the housing goals established pursuant to this section or sections 1332 through 1334.

''(2) CONSIDERATIONS.—In making any determination under paragraph (1), the Director shall consider whether a transaction or activity of an enterprise is substantially equivalent to a mortgage purchase and either (A) creates a new market, or (B) adds liquidity to an existing market, provided however that the terms and conditions of such mortgage purchase is neither determined to be unacceptable, nor contrary to good lending practices, and otherwise promotes sustainable homeownership and further, that such mortgage purchase actually fulfills the purposes of the enterprise and is in accordance with the chartering Act of such enterprise.

''(c) ELIMINATING INTEREST RATE DISPARITIES.—

''(1) IN GENERAL.—In establishing and implementing the housing goals under this subpart, the Director shall require the enterprises to disclose appropriate information to allow the Director to assess if there are any disparities in interest rates charged on mortgages to borrowers who are minorities, as compared with borrowers of similar creditworthiness who are not minorities, as evidenced in reports pursuant to the Home Mortgage Disclosure Act of 1975.

''(2) REPORT TO CONGRESS ON DISPARITIES.—Upon a finding by the Director that a pattern of disparities in interest rates exists pursuant to the information provided by an enterprise under paragraph (1), the Director shall—

''(A) forward to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report detailing the disparities; and

''(B) forward the report prepared under subparagraph (A) to any other appropriate regulatory or enforcement agency.

''(3) IDENTITY OF INDIVIDUALS NOT DISCLOSED.—In carrying out this subsection, the Director shall ensure that no personally identifiable financial information that would enable an individual borrower to be reasonably identified shall be made public.

''(d) TIMING.—The Director shall establish an annual deadline for the establishment of housing goals described in subsection (a), taking into consideration the need for the enterprises to reasonably and sufficiently plan their operations and activities in advance, including operations and activities necessary to meet such goals.

''SEC. 1331A. DISCRETIONARY ADJUSTMENT OF HOUSING GOALS.

''(a) AUTHORITY.—

''(1) REVIEW.—The Director shall review the appropriateness of each goal established pursuant to this subpart at least once during each year to assure that given current market conditions that each such goal is feasible.

''(2) PETITION TO REDUCE.—An enterprise may petition the Director in writing at any time during a year to reduce the level of any goal for such year established pursuant to this subpart.

''(b) STANDARD FOR REDUCTION.—The Director may reduce the level for a goal pursuant to such a petition only if—

''(1) market and economic conditions or the financial condition of the enterprise require such action; or

''(2) efforts to meet the goal would result in the constraint of liquidity, over-investment in certain market segments, or other consequences contrary to the intent of this subpart, section 301(3) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716(3)), or section 301(b)(3) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note), as applicable.

''(c) DETERMINATION.—

''(1) 30-DAY PERIOD.—If an enterprise submits a petition for reduction to the Director under subsection (a)(2), the Director shall make a determination regarding any proposed reduction within 30 days of receipt of the petition.

''(2) EXTENSION.—The Director may extend the period described in paragraph (1) for a single additional 15-day period, but only if the Director requests additional information from the enterprise.

''SEC. 1332. SINGLE-FAMILY HOUSING GOALS.

''(a) ESTABLISHMENT OF GOALS.—

''(1) IN GENERAL.—The Director shall establish annual goals for the purchase by each enterprise of conventional, conforming, single-family, owner-occupied, purchase money mortgages financing housing for each of the following:

''(A) Low-income families.

''(B) Families that reside in low-income areas.

''(C) Very low-income families.

''(2) GOALS AS PERCENTAGE OF TOTAL PURCHASE MONEY MORTGAGE PURCHASES.—The goals established under paragraph (1) shall be established as a percentage of the total number of single-family dwelling units financed by single-family purchase money mortgage purchases of the enterprise.

''(b) DETERMINATION OF COMPLIANCE.—

''(1) IN GENERAL.—The Director shall determine, for each year that the housing goals under this section are in effect pursuant to section 1331(a), whether each enterprise has complied with the single-family housing goals established under this section for such year.

''(2) COMPLIANCE REQUIREMENTS.—An enterprise shall be considered to be in compliance with a goal described under subsection (a) for a year, only if, for each of the types of families described in subsection (a), the percentage of the number of conventional, conforming, single-family, owner-occupied, purchase money mortgages purchased by the enterprise in such year that serve such families, meets or exceeds the target established under subsection (c) for the year for such type of family.

''(c) ANNUAL TARGETS.—

''(1) IN GENERAL.—The Director shall establish annual targets for each goal described in subsection (a).

''(2) CONSIDERATIONS.—In establishing annual targets under paragraph (1), the Director shall consider—

''(A) national housing needs;

''(B) economic, housing, and demographic conditions;

''(C) the performance and effort of the enterprises toward achieving the housing goals under this section in previous years;

''(D) the ability of the enterprise to lead the industry in making mortgage credit available;

''(E) recent information submitted in compliance with the Home Mortgage Disclosure Act of 1975 and such other reliable mortgage data as may be available;

''(F) the size of the purchase money conventional mortgage market serving each of the types of families described in subsection (a), relative to the size of the overall purchase money mortgage market; and

''(G) the need to maintain the sound financial condition of the enterprises.

''(3) HIGH-COST LOANS AND INAPPROPRIATE LENDING PRACTICES.—In establishing annual targets under paragraph (1), the Director shall not consider segments of the market determined to be unacceptable or contrary to good lending practices pursuant to section 1331(b)(2).

''(d) NOTICE OF DETERMINATION AND ENTERPRISE COMMENT.—

''(1) NOTICE.—Within 30 days of making a determination under subsection (b) regarding compliance of an enterprise for a year with the housing goals established under this section and before any public disclosure thereof, the Director shall provide notice of the determination to the enterprise, which shall include an analysis and comparison, by the Director, of the performance of the enterprise for the year and the targets for the year under subsection (c).

''(2) COMMENT PERIOD.—The Director shall provide each enterprise and the public an opportunity to comment on the determination during the 30-day period beginning upon receipt by the enterprise of the notice.

''(e) USE OF BORROWER INCOME.—In monitoring the performance of each enterprise pursuant to the housing goals under this section and evaluating such performance (for purposes of section 1336), the Director shall consider a mortgagor's income to be the income of the mortgagor at the time of origination of the mortgage.

''(f) CONSIDERATION OF PROPERTIES WITH RENTAL UNITS.—Mortgages financing 1-to-4 unit owner-occupied properties shall count toward the achievement of the single-family housing goal under this section, if such properties otherwise meet the requirements under this section notwithstanding the use of 1 or more units for rental purposes.

''SEC. 1333. SINGLE-FAMILY HOUSING REFINANCE GOALS.

''(a) PREPAYMENT OF EXISTING LOANS.—

''(1) IN GENERAL.—The Director shall establish annual goals for the purchase by each enterprise of mortgages on conventional, conforming, single-family, owner-occupied housing given to pay off or prepay an existing loan served by the same property for each of the following:

''(A) Low-income families.

''(B) Families that reside in low-income areas.

''(C) Very low-income families.

''(2) GOALS AS PERCENTAGE OF TOTAL REFINANCING MORTGAGE PURCHASES.—The goals described under paragraph (1) shall be established as a percentage of the total number of single-family dwelling units refinanced by mortgage purchases of each enterprise.

''(b) DETERMINATION OF COMPLIANCE.—

''(1) IN GENERAL.—The Director shall determine, for each year that the housing goals under this section are in effect pursuant to

section 1331(a), whether each enterprise has complied with the single-family housing refinance goals established under this section for such year.

''(2) COMPLIANCE.—An enterprise shall be considered to be in compliance with the goals of this section for a year, only if, for each of the types of families described in subsection (a), the percentage of the number of conventional, conforming, single-family, owner-occupied refinancing mortgages purchased by each enterprise in such year that serve such families, meets or exceeds the target for the year for such type of family that is established under subsection (c).

''(c) ANNUAL TARGETS.—

''(1) IN GENERAL.—The Director shall establish annual targets for each goal described in subsection (a).

''(2) CONSIDERATIONS.—In establishing annual targets under paragraph (1), the Director shall consider—

''(A) national housing needs;

''(B) economic, housing, and demographic conditions;

''(C) the performance and effort of the enterprises toward achieving the housing goals under this section in previous years;

''(D) the ability of the enterprise to lead the industry in making mortgage credit available;

''(E) recent information submitted in compliance with the Home Mortgage Disclosure Act of 1975 and such other reliable mortgage data as may be available;

''(F) the size of the purchase money conventional mortgage market serving each of the types of families described in subsection (a), relative to the size of the overall purchase money mortgage market; and

''(G) the need to maintain the sound financial condition of the enterprises.

''(d) NOTICE OF DETERMINATION AND ENTERPRISE COMMENT.—

''(1) NOTICE.—Within 30 days of making a determination under subsection (b) regarding compliance of an enterprise for a year with the housing goals established under this section and before any public disclosure thereof, the Director shall provide notice of the determination to the enterprise, which shall include an analysis and comparison, by the Director, of the performance of the enterprise for the year and the targets for the year under subsection (c).

''(2) COMMENT PERIOD.—The Director shall provide each enterprise and the public an opportunity to comment on the determination during the 30-day period beginning upon receipt by the enterprise of the notice.

''(e) USE OF BORROWER INCOME.—In monitoring the performance of each enterprise pursuant to the housing goals under this section and evaluating such performance (for purposes of section 1336), the Director shall consider a mortgagor's income to be the income of the mortgagor at the time of origination of the mortgage.

''SEC. 1334. MULTIFAMILY SPECIAL AFFORDABLE HOUSING GOAL.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Director shall establish, by regulation, by unit, dollar volume, or percentage of multifamily activity, as determined by the Director, an annual goal for the purchase by each enterprise of—

''(A) mortgages that finance dwelling units affordable to very low-income families; and

''(B) mortgages that finance dwelling units assisted by the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986.

''(2) ADDITIONAL REQUIREMENTS FOR SMALLER PROJECTS.—The Director shall establish, within the housing goal established under this section, additional requirements for the purchase by each enterprise of mortgages described in paragraph (1) for multifamily housing projects of a smaller or limited size, which may be based on the number of dwelling units in the project or the amount of the mortgage, or both, and shall include multifamily housing projects of 5 to 50 units (as adjusted by the Director), or with mortgages of up to $5,000,000 (as adjusted by the Director).

''(3) FACTORS.—The Director shall establish the goal and additional requirements under this section taking into consideration—

''(A) national multifamily mortgage credit needs;

''(B) the performance and effort of the enterprise in making mortgage credit available for multifamily housing in previous years;

''(C) the size of the multifamily mortgage market, including the size of the small multifamily mortgage market;

''(D) the most recent information available for the Residential Survey published by the Census Bureau, and such other reliable data as may be available regarding multifamily mortgages;

''(E) the ability of the enterprise to lead the industry in expanding mortgage credit availability at favorable terms, especially for underserved markets, such as for—

''(i) small multifamily projects;

''(ii) multifamily properties in need of preservation and rehabilitation; and

''(iii) multifamily properties located in rural areas; and

''(F) the need to maintain the sound financial condition of the enterprise.

''(b) UNITS FINANCED BY HOUSING FINANCE AGENCY BONDS.—The Director may give credit toward the achievement of the multifamily special affordable housing goal under this section (for purposes of section 1336) to dwelling units in multifamily housing projects that otherwise qualify under such goal and that are financed by tax-exempt or taxable bonds issued by a State or local housing finance agency, but only if such bonds—

''(1) are secured by a guarantee of the enterprise; or

''(2) are not investment grade and are purchased by the enterprise.

''(c) USE OF TENANT RENT LEVEL.—

''(1) IN GENERAL.—The Director shall monitor the performance of each enterprise in meeting the goal established under this section and shall evaluate such performance (for purposes of section 1336) based on whether the rent levels are affordable to low-income and very low-income families.

''(2) RENT LEVEL.—A rent level shall be considered to be affordable for purposes of this subsection for an income category referred to in this subsection if it does not exceed 30 percent of the maximum income level of such income category, with appropriate adjustments for unit size as measured by the number of bedrooms.

''(d) DETERMINATION OF COMPLIANCE.—

''(1) IN GENERAL.—The Director shall, for each year that the housing goal under this section is in effect pursuant to section 1331(a), determine whether each enterprise has complied with such goal and the additional requirements under subsection (a)(2).

''(2) COMPLIANCE.—An enterprise shall be considered to be in compliance with the goal described under subsection (a) for a year only if the multifamily mortgage purchases of the enterprise meet or exceed the goal for the year established under subsection (a).

''(e) CONSIDERATION OF UNITS IN SINGLE-FAMILY RENTAL HOUSING.—In establishing the goal under this section, the Director may take into consideration the number of housing units financed by any mortgage purchased by an enterprise on single-family rental housing that is not owner-occupied.

''(f) REMOVING CREDIT.—The Director shall subtract from the units or mortgages counted toward the goal established under this section in a current year any units or mortgages credited toward such goal in a prior year if an enterprise requires a lender to repurchase, or reimburse for losses, or indemnify the enterprise against potential losses on such units or mortgages.

''(g) NOTICE OF DETERMINATION AND ENTERPRISE COMMENT.—

''(1) NOTICE.—Within 30 days of making a determination under subsection (d) regarding compliance of an enterprise for a year with the housing goal established under this section and before any public disclosure thereof, the Director shall provide notice of the determination to the enterprise, which shall include an analysis and comparison, by the Director, of the performance of the enterprise for the year and the goal for the year under subsection (a).

''(2) COMMENT PERIOD.—The Director shall provide each enterprise and the public an opportunity to comment on the determination during the 30-day period beginning upon receipt by the enterprise of the notice.''.

(c) CONFORMING AMENDMENTS.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended—

(1) in section 1335(a) (12 U.S.C. 4565(a)), in the matter preceding paragraph (1), by striking ''low- and moderate-income housing goal'' and all that follows through ''section 1334'' and inserting ''housing goals established under this subpart''; and

(2) in section 1336(a)(1) (12 U.S.C. 4566(a)(1)), by striking ''sections 1332, 1333, and 1334,'' and inserting ''this subpart''.

(d) DEFINITIONS.—Section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502) is amended—

(1) by striking paragraph (24), as so designated by section 1002 of this Act, and inserting the following:

''(24) VERY LOW-INCOME.—

''(A) IN GENERAL.—The term 'very low-income' means—

''(i) in the case of owner-occupied units, families having incomes not greater than 50 percent of the area median income; and

''(ii) in the case of rental units, families having incomes not greater than 50 percent of the area median income, with adjustments for smaller and larger families, as determined by the Director.

''(B) RULE OF CONSTRUCTION.—For purposes of section 1338 and 1339, the term 'very low-income' means—

''(i) in the case of owner-occupied units, income in excess of 30 percent but not greater than 50 percent of the area median income; and

''(ii) in the case of rental units, income in excess of 30 percent but not greater than 50 percent of the area median income, with adjustments for smaller and larger families, as determined by the Director.''; and

(2) by adding at the end the following:

''(26) CONFORMING MORTGAGE.—The term 'conforming mortgage' means, with respect to an enterprise, a conventional mortgage having an original principal obligation that does not exceed the applicable dollar limitation, in effect at the time of such origination, under—

''(A) section 302(b)(2) of the Federal National Mortgage Association Charter Act; or

''(B) section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act.

''(27) EXTREMELY LOW-INCOME.—The term 'extremely low-income' means—

''(A) in the case of owner-occupied units, income not in excess of 30 percent of the area median income; and

''(B) in the case of rental units, income not in excess of 30 percent of the area median income, with adjustments for smaller and larger families, as determined by the Director.

''(28) LOW-INCOME AREA.—The term 'low-income area' means a census tract or block numbering area in which the median income does not exceed 80 percent of the median income for the area in which such census tract or block numbering area is located, and, for the purposes of section 1332(a)(2), shall include families having incomes not greater than 100 percent of the area median income who reside in minority census tracts.

''(29) MINORITY CENSUS TRACT.—The term 'minority census tract' means a census tract that has a minority population of at least 30 percent and a median family income of less than 100 percent of the area family median income.

''(30) SHORTAGE OF STANDARD RENTAL UNITS BOTH AFFORDABLE AND AVAILABLE TO EXTREMELY LOW-INCOME RENTER HOUSEHOLDS.—

''(A) IN GENERAL.—The term 'shortage of standard rental units both affordable and available to extremely low-income renter households' means the gap between—

''(i) the number of units with complete plumbing and kitchen facilities with a rent that is 30 percent or less of 30 percent of the adjusted area median income as determined by the Director that are occupied by extremely low-income renter households or are vacant for rent; and

''(ii) the number of extremely low-income renter households.

''(B) RULE OF CONSTRUCTION.—If the number of units described in subparagraph (A)(i) exceeds the number of extremely low-income households as described in subparagraph (A)(ii), there is no shortage.

''(31) SHORTAGE OF STANDARD RENTAL UNITS BOTH AFFORDABLE AND AVAILABLE TO VERY LOW-INCOME RENTER HOUSEHOLDS.—

''(A) IN GENERAL.—The term 'shortage of standard rental units both affordable and available to very low-income renter households' means the gap between—

''(i) the number of units with complete plumbing and kitchen facilities with a rent that is 30 percent or less of 50 percent of the adjusted area median income as determined by the Director that are occupied by either extremely low- or very low-income renter households or are vacant for rent; and

''(ii) the number of extremely low- and very low-income renter households.

''(B) RULE OF CONSTRUCTION.—If the number of units described in subparagraph (A)(i) exceeds the number of extremely low- and very low-income households as described in subparagraph (A)(ii), there is no shortage.''.

SEC. 1129. DUTY TO SERVE UNDERSERVED MARKETS.

(a) ESTABLISHMENT AND EVALUATION OF PERFORMANCE.—Section 1335 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4565) is amended—

(1) in the section heading, by inserting ''**DUTY TO SERVE UNDERSERVED MARKETS AND**'' before ''**OTHER**'';

(2) by striking subsection (b);

(3) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''and to carry out the duty under subsection (a) of this section'' before '', each enterprise shall'';

(B) in paragraph (3), by inserting ''and'' after the semicolon at the end;

(C) in paragraph (4), by striking ''; and'' and inserting a period;

(D) by striking paragraph (5); and

(E) by redesignating such subsection as subsection (b);

(4) by inserting before subsection (b) (as so redesignated by paragraph (3)(E) of this subsection) the following new subsection:

''(a) DUTY TO SERVE UNDERSERVED MARKETS.—

''(1) DUTY.—In accordance with the purpose of the enterprises under section 301(3) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716) and section 301(b)(3) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note) to undertake activities relating to mortgages on housing for very low-, low-, and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities, each enterprise shall have the duty to increase the liquidity of mortgage investments and improve the distribution of investment capital available for mortgage financing for underserved markets by purchasing or securitizing mortgage investments.

''(2) UNDERSERVED MARKETS.—To meet its duty under paragraph (1), each enterprise shall comply with the following requirements with respect to the following underserved markets:

''(A) MANUFACTURED HOUSING.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market for mortgages on manufactured homes for very low-, low-, and moderate-income families.

''(B) AFFORDABLE HOUSING PRESERVATION.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market to preserve housing affordable to very low-, low-, and moderate-income families, including housing projects subsidized under—

''(i) the project-based and tenant-based rental assistance programs under section 8 of the United States Housing Act of 1937;

''(ii) the program under section 236 of the National Housing Act;

''(iii) the below-market interest rate mortgage program under section 221(d)(4) of the National Housing Act;

''(iv) the supportive housing for the elderly program under section 202 of the Housing Act of 1959;

''(v) the supportive housing program for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

''(vi) the programs under title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11361 et seq.), but only permanent supportive housing projects subsidized under such programs; and

''(vii) the rural rental housing program under section 515 of the Housing Act of 1949.

''(C) RURAL AND OTHER UNDERSERVED MARKETS.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market for mortgages on housing for very low-, low-, and moderate-income families in rural areas, and for mortgages for housing for any other underserved market for very low-, low-, and moderate-income families that the Director identifies as lacking adequate credit through conventional lending sources. Such underserved markets may be identified by borrower type, market segment, or geographic area.''; and

(5) by adding at the end the following new subsection:

''(c) EVALUATION AND REPORTING OF COMPLIANCE.—

''(1) IN GENERAL.—Not later than 6 months after the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, the Director shall establish a manner for evaluating whether, and the extent to which, the enterprises have complied with the duty under subsection (a) to serve underserved markets and for rating the extent of such compliance. Using such method, the Director shall, for each year, evaluate such compliance and rate the performance of each enterprise as to extent of compliance. The Director shall include such evaluation and rating for each enterprise for a year in the report for that year submitted pursuant to section 1319B(a).

''(2) SEPARATE EVALUATIONS.—In determining whether an enterprise has complied with the duty referred to in paragraph (1), the Director shall separately evaluate whether the enterprise has complied with such duty with respect to each of the underserved markets identified in subsection (a), taking into consideration—

''(A) the development of loan products and more flexible underwriting guidelines;

''(B) the extent of outreach to qualified loan sellers in each of such underserved markets; and

''(C) the volume of loans purchased in each of such underserved markets.

''(3) MANUFACTURED HOUSING MARKET.—In determining whether an enterprise has complied with the duty under subparagraph (A) of subsection (a)(2), the Director may consider loans secured by both real and personal property.''.

(b) ENFORCEMENT.—Subsection (a) of section 1336 of the Housing and Community Development Act of 1992 (12 U.S.C. 4566(a)) is amended—

(1) in paragraph (1), by inserting ''and with the duty under section 1335(a) of each enterprise with respect to underserved markets,'' before ''as provided in this section''; and

(2) by adding at the end of such subsection, as amended by the preceding provisions of this subtitle, the following new paragraph:

''(4) ENFORCEMENT OF DUTY TO PROVIDE MORTGAGE CREDIT TO UNDERSERVED MARKETS.—The duty under section 1335(a) of each enterprise to serve underserved markets (as determined in accordance with section 1335(c)) shall be enforceable under this section to the same extent and under the same provisions that the housing goals established under this subpart are enforceable. Such duty shall not be enforceable under any other provision of this title (including subpart C of this part) other than this section or under any provision of the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act.''.

SEC. 1130. MONITORING AND ENFORCING COMPLIANCE WITH HOUSING GOALS.

(a) IN GENERAL.—Section 1336 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4566) is amended by striking subsections (b) and (c) and inserting the following:

''(b) NOTICE AND PRELIMINARY DETERMINATION OF FAILURE TO MEET GOALS.—

''(1) NOTICE.—If the Director preliminarily determines that an enterprise has failed, or that there is a substantial probability that an enterprise will fail, to meet any housing goal under this subpart, the Director shall provide written notice to the enterprise of such a preliminary determination, the reasons for such determination, and the information on which the Director based the determination.

''(2) RESPONSE PERIOD.—

''(A) IN GENERAL.—During the 30-day period beginning on the date on which an enterprise is provided notice under paragraph (1), the enterprise may submit to the Director any written information that the enterprise considers appropriate for consideration by the Director in finally determining whether such failure has occurred or whether the achievement of such goal was or is feasible.

''(B) EXTENDED PERIOD.—The Director may extend the period under subparagraph (A) for good cause for not more than 30 additional days.

''(C) SHORTENED PERIOD.—The Director may shorten the period under subparagraph (A) for good cause.

''(D) FAILURE TO RESPOND.—The failure of an enterprise to provide information during the 30-day period under this paragraph (as extended or shortened) shall waive any right of the enterprise to comment on the proposed determination or action of the Director.

''(3) CONSIDERATION OF INFORMATION AND FINAL DETERMINATION.—

''(A) IN GENERAL.—After the expiration of the response period under paragraph (2), or upon receipt of information provided during such period by the enterprise, whichever occurs earlier, the Director shall issue a final determination on—

''(i) whether the enterprise has failed, or there is a substantial probability that the enterprise will fail, to meet the housing goal; and

''(ii) whether (taking into consideration market and economic conditions and the financial condition of the enterprise) the achievement of the housing goal was or is feasible.

''(B) CONSIDERATIONS.—In making a final determination under subparagraph (A), the Director shall take into consideration any relevant information submitted by the enterprise during the response period.

''(C) NOTICE.—The Director shall provide written notice, including a response to any information submitted during the response period, to the enterprise, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, of—

''(i) each final determination under this paragraph that an enterprise has failed, or that there is a substantial probability that the enterprise will fail, to meet a housing goal;

''(ii) each final determination that the achievement of a housing goal was or is feasible; and

''(iii) the reasons for each such final determination.

''(c) CEASE AND DESIST, CIVIL MONEY PENALTIES, AND REMEDIES INCLUDING HOUSING PLANS.—

''(1) REQUIREMENT.—If the Director finds, pursuant to subsection (b), that there is a substantial probability that an enterprise will fail, or has actually failed, to meet any housing goal under this subpart, and that the achievement of the housing goal was or is feasible, the Director may require that the enterprise submit a housing plan under this subsection. If the Director makes such a finding and the enterprise refuses to submit such a plan, submits an unacceptable plan, fails to comply with the plan, or the Director finds that the enterprise has failed to meet any housing goal under this subpart, in addition to requiring an enterprise to submit a housing plan, the Director may issue a cease and desist order in accordance with section 1341, impose civil money penalties in accordance with section 1345, or order other remedies as set forth in paragraph (7).

''(2) HOUSING PLAN.—If the Director requires a housing plan under this subsection, such a plan shall be—

''(A) a feasible plan describing the specific actions the enterprise will take—

''(i) to achieve the goal for the next calendar year; and

''(ii) if the Director determines that there is a substantial probability that the enterprise will fail to meet a goal in the current year, to make such improvements and changes in its operations as are reasonable in the remainder of such year; and

''(B) sufficiently specific to enable the Director to monitor compliance periodically.

''(3) DEADLINE FOR SUBMISSION.—The Director shall establish a deadline for an enterprise to comply with any remedial action or submit a housing plan to the Director, which may not be more than 45 days after the enterprise is provided notice. The Director may extend the deadline to the extent that the Director determines necessary. Any extension of the deadline shall be in writing and for a time certain.

''(4) APPROVAL.—The Director shall review each submission by an enterprise, including a housing plan submitted under this subsection, and, not later than 30 days after submission, approve or disapprove the plan or other action. The Director may extend the period for approval or disapproval for a single additional 30-day period if the Director determines it necessary. The Director shall approve any plan that the Director determines is likely to succeed, and conforms with the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act (as applicable), this title, and any other applicable provision of law.

''(5) NOTICE OF APPROVAL AND DISAPPROVAL.—The Director shall provide written notice to any enterprise submitting a housing plan of the approval or disapproval of the plan (which shall include the reasons for any disapproval of the plan) and of any extension of the period for approval or disapproval.

''(6) RESUBMISSION.—If the initial housing plan submitted by an enterprise under this section is disapproved, the enterprise shall submit an amended plan acceptable to the Director not later than 15 days after such disapproval, or such longer period that the Director determines is in the public interest.

''(7) ADDITIONAL REMEDIES FOR FAILURE TO MEET GOALS.—In addition to ordering a housing plan under this section, issuing cease and desist orders under section 1341, and ordering civil money penalties under section 1345, the Director may—

''(A) seek other actions when an enterprise fails to meet a goal; and

''(B) exercise appropriate enforcement authority available to the Director under this Act.''.

(b) CONFORMING AMENDMENT.—The heading for subpart C of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended to read as follows:

''Subpart C—Enforcement''.

(c) CEASE AND DESIST PROCEEDINGS.—

(1) REPEAL.—Section 1341 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4581) is hereby repealed.

(2) CEASE AND DESIST PROCEEDINGS.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended by inserting before section 1342 the following:

''SEC. 1341. CEASE AND DESIST PROCEEDINGS.

''(a) GROUNDS FOR ISSUANCE.—The Director may issue and serve a notice of charges under this section upon an enterprise if the Director determines that—

''(1) the enterprise has failed to meet any housing goal established under subpart B, following a written notice and determination of such failure in accordance with section 1336;

''(2) the enterprise has failed to submit a report under section 1327, following a notice of such failure, an opportunity for comment by the enterprise, and a final determination by the Director;

''(3) the enterprise has failed to submit the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act, subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act, or section 1337 of this title;

''(4) the enterprise has violated any provision of part 2 of this title or any order, rule, or regulation under part 2;

''(5) the enterprise has failed to submit a housing plan or perform its responsibilities under a remedial order that substantially complies with section 1336(c) within the applicable period; or

''(6) the enterprise has failed to comply with a housing plan under section 1336(c).

''(b) PROCEDURE.—

''(1) NOTICE OF CHARGES.—Each notice of charges issued under this section shall contain a statement of the facts constituting the alleged conduct and shall fix a time and place at which a hearing will be held to determine on the record whether an order to cease and desist from such conduct should issue.

''(2) ISSUANCE OF ORDER.—If the Director finds on the record made at a hearing described in paragraph (1) that any conduct specified in the notice of charges has been established (or the enterprise consents pursuant to section 1342(a)(4)), the Director may issue and serve upon the enterprise an order requiring the enterprise to—

''(A) comply with the goals;

''(B) submit a report under section 1327;

''(C) comply with any provision of part 2 of this title or any order, rule, or regulation under part 2;

''(D) submit a housing plan in compliance with section 1336(c);

''(E) comply with the housing plan in compliance with section 1336(c); or

''(F) provide the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act, or subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act.

''(c) EFFECTIVE DATE.—An order under this section shall become effective upon the expiration of the 30-day period beginning on the date of service of the order upon the enterprise (except in the case of an order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided in the order, except to the extent that the order is stayed, modified, terminated, or set aside by action of the Director or otherwise, as provided in this subpart.''.

(d) CIVIL MONEY PENALTIES.—

(1) REPEAL.—Section 1345 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4585) is hereby repealed.

(2) CIVIL MONEY PENALTIES.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended by inserting after section 1344 the following:

''SEC. 1345. CIVIL MONEY PENALTIES.

''(a) AUTHORITY.—The Director may impose a civil money penalty, in accordance with the provisions of this section, on any enterprise that has failed to—

''(1) meet any housing goal established under subpart B, following a written notice and determination of such failure in accordance with section 1336(b);

''(2) submit a report under section 1327, following a notice of such failure, an opportunity for comment by the enterprise, and a final determination by the Director;

''(3) submit the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act or subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act;

''(4) comply with any provision of part 2 of this title or any order, rule, or regulation under part 2;

''(5) submit a housing plan or perform its responsibilities under a remedial order

issued pursuant to section 1336(c) within the required period; or

''(6) comply with a housing plan for the enterprise under section 1336(c).

''(b) AMOUNT OF PENALTY.—The amount of a penalty under this section, as determined by the Director, may not exceed—

''(1) for any failure described in paragraph (1), (5), or (6) of subsection (a), $100,000 for each day that the failure occurs; and

''(2) for any failure described in paragraph (2), (3), or (4) of subsection (a), $50,000 for each day that the failure occurs.

''(c) PROCEDURES.—

''(1) ESTABLISHMENT.—The Director shall establish standards and procedures governing the imposition of civil money penalties under this section. Such standards and procedures—

''(A) shall provide for the Director to notify the enterprise in writing of the determination of the Director to impose the penalty, which shall be made on the record;

''(B) shall provide for the imposition of a penalty only after the enterprise has been given an opportunity for a hearing on the record pursuant to section 1342; and

''(C) may provide for review by the Director of any determination or order, or interlocutory ruling, arising from a hearing.

''(2) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under this section, the Director shall give consideration to factors including—

''(A) the gravity of the offense;

''(B) any history of prior offenses;

''(C) ability to pay the penalty;

''(D) injury to the public;

''(E) benefits received;

''(F) deterrence of future violations;

''(G) the length of time that the enterprise should reasonably take to achieve the goal; and

''(H) such other factors as the Director may determine, by regulation, to be appropriate.

''(d) ACTION TO COLLECT PENALTY.—If an enterprise fails to comply with an order by the Director imposing a civil money penalty under this section, after the order is no longer subject to review, as provided in sections 1342 and 1343, the Director may bring an action in the United States District Court for the District of Columbia to obtain a monetary judgment against the enterprise, and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorneys' fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the order imposing the penalty shall not be subject to review.

''(e) SETTLEMENT BY DIRECTOR.—The Director may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

''(f) DEPOSIT OF PENALTIES.—The Director shall use any civil money penalties collected under this section to help fund the Housing Trust Fund established under section 1338.''.

(e) DIRECTOR AUTHORITY.—

(1) AUTHORITY TO BRING A CIVIL ACTION.—Section 1344(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4584) is amended by striking ''The Secretary may request the Attorney General of the United States to bring a civil action'' and inserting ''The Director may bring a civil action''.

(2) SUBPOENA ENFORCEMENT.—Section 1348(c) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4588(c)) is amended by inserting ''may bring an action or'' before ''may request''.

(3) CONFORMING AMENDMENTS.—Subpart C of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4581 et seq.) is amended by striking ''Secretary'' each place that term appears and inserting ''Director'' in each of—

(A) section 1342 (12 U.S.C. 4582);

(B) section 1343 (12 U.S.C. 4583);

(C) section 1346 (12 U.S.C. 4586);

(D) section 1347 (12 U.S.C. 4587); and

(E) section 1348 (12 U.S.C. 4588).

SEC. 1131. AFFORDABLE HOUSING PROGRAMS.

(a) REPEAL.—Section 1337 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4567) is hereby repealed.

(b) ANNUAL HOUSING REPORT.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 1301 et seq.) is amended by inserting after section 1336 the following:

''SEC. 1337. AFFORDABLE HOUSING ALLOCATIONS.

''(a) SET ASIDE AND ALLOCATION OF AMOUNTS BY ENTERPRISES.—Subject to subsection (b), in each fiscal year—

''(1) the Federal Home Loan Mortgage Corporation shall—

''(A) set aside an amount equal to 4.2 basis points for each dollar of the unpaid principal balance of its total new business purchases; and

''(B) allocate or otherwise transfer—

''(i) 65 percent of such amounts to the Secretary of Housing and Urban Development to fund the Housing Trust Fund established under section 1338; and

''(ii) 35 percent of such amounts to fund the Capital Magnet Fund established pursuant to section 1339; and

''(2) the Federal National Mortgage Association shall—

''(A) set aside an amount equal to 4.2 basis points for each dollar of unpaid principal balance of its total new business purchases; and

''(B) allocate or otherwise transfer—

''(i) 65 percent of such amounts to the Secretary of Housing and Urban Development to fund the Housing Trust Fund established under section 1338; and

''(ii) 35 percent of such amounts to fund the Capital Magnet Fund established pursuant to section 1339.

''(b) SUSPENSION OF CONTRIBUTIONS.—The Director shall temporarily suspend allocations under subsection (a) by an enterprise upon a finding by the Director that such allocations—

''(1) are contributing, or would contribute, to the financial instability of the enterprise;

''(2) are causing, or would cause, the enterprise to be classified as undercapitalized; or

''(3) are preventing, or would prevent, the enterprise from successfully completing a capital restoration plan under section 1369C.

''(c) PROHIBITION OF PASS-THROUGH OF COST OF ALLOCATIONS.—The Director shall, by regulation, prohibit each enterprise from redirecting the costs of any allocation required under this section, through increased charges or fees, or decreased premiums, or in any other manner, to the originators of mortgages purchased or securitized by the enterprise.

''(d) ENFORCEMENT OF REQUIREMENTS ON ENTERPRISE.—Compliance by the enterprises with the requirements under this section shall be enforceable under subpart C. Any reference in such subpart to this part or to an order, rule, or regulation under this part specifically includes this section and any order, rule, or regulation under this section.

''(e) REQUIRED AMOUNT FOR HOPE RESERVE FUND.—Of the aggregate amount allocated under subsection (a), 25 percent shall be deposited into a fund established in the Treasury of the United States by the Secretary of the Treasury for such purpose.

''(f) LIMITATION.—No funds under this title may be used in conjunction with property taken by eminent domain, unless eminent domain is employed only for a public use, except that, for purposes of this section, public use shall not be construed to include economic development that primarily benefits any private entity.

''SEC. 1338. HOUSING TRUST FUND.

''(a) ESTABLISHMENT AND PURPOSE.—The Secretary of Housing and Urban Development (in this section referred to as the 'Secretary') shall establish and manage a Housing Trust Fund, which shall be funded with amounts allocated by the enterprises under section 1337 and any amounts as are or may be appropriated, transferred, or credited to such Housing Trust Fund under any other provisions of law. The purpose of the Housing Trust Fund under this section is to provide grants to States for use—

''(1) to increase and preserve the supply of rental housing for extremely low- and very low-income families, including homeless families; and

''(2) to increase homeownership for extremely low- and very low-income families.

''(b) ALLOCATIONS FOR HOPE BOND PAYMENTS.—

''(1) IN GENERAL.—Notwithstanding subsection (c), to help address the mortgage crisis, of the amounts allocated pursuant to clauses (i) and (ii) of section 1337(a)(1)(B) and clauses (i) and (ii) of section 1337(a)(2)(B) in excess of amounts described in section 1337(e)—

''(A) 100 percent of such excess shall be used to reimburse the Treasury for payments made pursuant to section 257(w)(1)(C) of the National Housing Act in calendar year 2009;

''(B) 50 percent of such excess shall be used to reimburse the Treasury for such payments in calendar year 2010; and

''(C) 25 percent of such excess shall be used to reimburse the Treasury for such payments in calendar year 2011.

''(2) EXCESS FUNDS.—At the termination of the HOPE for Homeowners Program established under section 257 of the National Housing Act, if amounts used to reimburse the Treasury under paragraph (1) exceed the total net cost to the Government of the HOPE for Homeowners Program, such amounts shall be used for their original purpose, as described in paragraphs (1)(B) and (2)(B) of section 1337(a).

''(3) TREASURY FUND.—The amounts referred to in subparagraphs (A) through (C) of paragraph (1) shall be deposited into a fund established in the Treasury of the United States by the Secretary of the Treasury for such purpose.

''(c) ALLOCATION FOR HOUSING TRUST FUND IN FISCAL YEAR 2010 AND SUBSEQUENT YEARS.—

''(1) IN GENERAL.—Except as provided in subsection (b), the Secretary shall distribute the amounts allocated for the Housing Trust Fund under this section to provide affordable housing as described in this subsection.

''(2) PERMISSIBLE DESIGNEES.—A State receiving grant amounts under this subsection may designate a State housing finance agency, housing and community development entity, tribally designated housing entity (as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1997 (25 U.S.C. 4103)), or any other qualified instrumentality of the State to receive such grant amounts.

''(3) DISTRIBUTION TO STATES BY NEEDS-BASED FORMULA.—

''(A) IN GENERAL.—The Secretary shall, by regulation, establish a formula within 12 months of the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008, to distribute amounts made

available under this subsection to each State to provide affordable housing to extremely low- and very low-income households.

''(B) BASIS FOR FORMULA.—The formula required under subparagraph (A) shall include the following:

''(i) The ratio of the shortage of standard rental units both affordable and available to extremely low-income renter households in the State to the aggregate shortage of standard rental units both affordable and available to extremely low-income renter households in all the States.

''(ii) The ratio of the shortage of standard rental units both affordable and available to very low-income renter households in the State to the aggregate shortage of standard rental units both affordable and available to very low-income renter households in all the States.

''(iii) The ratio of extremely low-income renter households in the State living with either (I) incomplete kitchen or plumbing facilities, (II) more than 1 person per room, or (III) paying more than 50 percent of income for housing costs, to the aggregate number of extremely low-income renter households living with either (IV) incomplete kitchen or plumbing facilities, (V) more than 1 person per room, or (VI) paying more than 50 percent of income for housing costs in all the States.

''(iv) The ratio of very low-income renter households in the State paying more than 50 percent of income on rent relative to the aggregate number of very low-income renter households paying more than 50 percent of income on rent in all the States.

''(v) The resulting sum calculated from the factors described in clauses (i) through (iv) shall be multiplied by the relative cost of construction in the State. For purposes of this subclause, the term 'cost of construction'—

''(I) means the cost of construction or building rehabilitation in the State relative to the national cost of construction or building rehabilitation; and

''(II) shall be calculated such that values higher than 1.0 indicate that the State's construction costs are higher than the national average, a value of 1.0 indicates that the State's construction costs are exactly the same as the national average, and values lower than 1.0 indicate that the State's cost of construction are lower than the national average.

''(C) PRIORITY.—The formula required under subparagraph (A) shall give priority emphasis and consideration to the factor described in subparagraph (B)(i).

''(4) ALLOCATION OF GRANT AMOUNTS.—

''(A) NOTICE.—Not later than 60 days after the date that the Secretary determines the formula amounts described in paragraph (3), the Secretary shall caused to be published in the Federal Register a notice that such amounts shall be so available.

''(B) GRANT AMOUNT.—In each fiscal year other than fiscal year 2009, the Secretary shall make a grant to each State in an amount that is equal to the formula amount determined under paragraph (3) for that State.

''(C) MINIMUM STATE ALLOCATIONS.—If the formula amount determined under paragraph (3) for a fiscal year would allocate less than $3,000,000 to any State, the allocation for such State shall be $3,000,000, and the increase shall be deducted pro rata from the allocations made to all other States.

''(5) ALLOCATION PLANS REQUIRED.—

''(A) IN GENERAL.—For each year that a State or State designated entity receives a grant under this subsection, the State or State designated entity shall establish an allocation plan. Such plan shall—

''(i) set forth a plan for the distribution of grant amounts received by the State or State designated entity for such year;

''(ii) be based on priority housing needs, as determined by the State or State designated entity in accordance with the regulations established under subsection (g)(2)(C);

''(iii) comply with paragraph (6); and

''(iv) include performance goals that comply with the requirements established by the Secretary pursuant to subsection (g)(2).

''(B) ESTABLISHMENT.—In establishing an allocation plan under this paragraph, a State or State designated entity shall—

''(i) notify the public of the establishment of the plan;

''(ii) provide an opportunity for public comments regarding the plan;

''(iii) consider any public comments received regarding the plan; and

''(iv) make the completed plan available to the public.

''(C) CONTENTS.—An allocation plan of a State or State designated entity under this paragraph shall set forth the requirements for eligible recipients under paragraph (8) to apply for such grant amounts, including a requirement that each such application include—

''(i) a description of the eligible activities to be conducted using such assistance; and

''(ii) a certification by the eligible recipient applying for such assistance that any housing units assisted with such assistance will comply with the requirements under this section.

''(6) SELECTION OF ACTIVITIES FUNDED USING HOUSING TRUST FUND GRANT AMOUNTS.—Grant amounts received by a State or State designated entity under this subsection may be used, or committed for use, only for activities that—

''(A) are eligible under paragraph (7) for such use;

''(B) comply with the applicable allocation plan of the State or State designated entity under paragraph (5); and

''(C) are selected for funding by the State or State designated entity in accordance with the process and criteria for such selection established pursuant to subsection (g)(2)(C).

''(7) ELIGIBLE ACTIVITIES.—Grant amounts allocated to a State or State designated entity under this subsection shall be eligible for use, or for commitment for use, only for assistance for—

''(A) the production, preservation, and rehabilitation of rental housing, including housing under the programs identified in section 1335(a)(2)(B) and for operating costs, except that not less than 75 percent of such grant amounts shall be used for the benefit only of extremely low-income families and not more than 25 percent for the benefit only of very low-income families; and

''(B) the production, preservation, and rehabilitation of housing for homeownership, including such forms as down payment assistance, closing cost assistance, and assistance for interest rate buy-downs, that—

''(i) is available for purchase only for use as a principal residence by families that qualify both as—

''(I) extremely low- and very low-income families at the times described in subparagraphs (A) through (C) of section 215(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)(2)); and

''(II) first-time homebuyers, as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), except that any reference in such section to assistance under title II of such Act shall for purposes of this subsection be considered to refer to assistance from affordable housing fund grant amounts;

''(ii) has an initial purchase price that meets the requirements of section 215(b)(1) of the Cranston-Gonzalez National Affordable Housing Act;

''(iii) is subject to the same resale restrictions established under section 215(b)(3) of the Cranston-Gonzalez National Affordable Housing Act and applicable to the participating jurisdiction that is the State in which such housing is located; and

''(iv) is made available for purchase only by, or in the case of assistance under this subsection, is made available only to homebuyers who have, before purchase completed a program of independent financial education and counseling from an eligible organization that meets the requirements of section 132 of the Federal Housing Finance Regulatory Reform Act of 2008.

''(8) ELIGIBLE RECIPIENTS.—Grant amounts allocated to a State or State designated entity under this subsection may be provided only to a recipient that is an organization, agency, or other entity (including a for-profit entity or a nonprofit entity) that—

''(A) has demonstrated experience and capacity to conduct an eligible activity under paragraph (7), as evidenced by its ability to—

''(i) own, construct or rehabilitate, manage, and operate an affordable multifamily rental housing development;

''(ii) design, construct or rehabilitate, and market affordable housing for homeownership; or

''(iii) provide forms of assistance, such as down payments, closing costs, or interest rate buy-downs for purchasers;

''(B) demonstrates the ability and financial capacity to undertake, comply, and manage the eligible activity;

''(C) demonstrates its familiarity with the requirements of any other Federal, State, or local housing program that will be used in conjunction with such grant amounts to ensure compliance with all applicable requirements and regulations of such programs; and

''(D) makes such assurances to the State or State designated entity as the Secretary shall, by regulation, require to ensure that the recipient will comply with the requirements of this subsection during the entire period that begins upon selection of the recipient to receive such grant amounts and ending upon the conclusion of all activities under paragraph (8) that are engaged in by the recipient and funded with such grant amounts.

''(9) LIMITATIONS ON USE.—

''(A) REQUIRED AMOUNT FOR HOMEOWNERSHIP ACTIVITIES.—Of the aggregate amount allocated to a State or State designated entity under this subsection not more than 10 percent shall be used for activities under subparagraph (B) of paragraph (7).

''(B) DEADLINE FOR COMMITMENT OR USE.—Grant amounts allocated to a State or State designated entity under this subsection shall be used or committed for use within 2 years of the date that such grant amounts are made available to the State or State designated entity. The Secretary shall recapture any such amounts not so used or committed for use and reallocate such amounts under this subsection in the first year after such recapture.

''(C) USE OF RETURNS.—The Secretary shall, by regulation, provide that any return on a loan or other investment of any grant amount used by a State or State designated entity to provide a loan under this subsection shall be treated, for purposes of availability to and use by the State or State designated entity, as a grant amount authorized under this subsection.

''(D) PROHIBITED USES.—The Secretary shall, by regulation—

''(i) set forth prohibited uses of grant amounts allocated under this subsection, which shall include use for—

''(I) political activities;

''(II) advocacy;

''(III) lobbying, whether directly or through other parties;

''(IV) counseling services;

''(V) travel expenses; and

''(VI) preparing or providing advice on tax returns;

''(ii) provide that, except as provided in clause (iii), grant amounts of a State or State designated entity may not be used for administrative, outreach, or other costs of—

''(I) the State or State designated entity; or

''(II) any other recipient of such grant amounts; and

''(iii) limit the amount of any grant amounts for a year that may be used by the State or State designated entity for administrative costs of carrying out the program required under this subsection, including home ownership counseling, to a percentage of such grant amounts of the State or State designated entity for such year, which may not exceed 10 percent.

''(E) PROHIBITION OF CONSIDERATION OF USE FOR MEETING HOUSING GOALS OR DUTY TO SERVE.—In determining compliance with the housing goals under this subpart and the duty to serve underserved markets under section 1335, the Director may not consider any grant amounts used under this section for eligible activities under paragraph (7). The Director shall give credit toward the achievement of such housing goals and such duty to serve underserved markets to purchases by the enterprises of mortgages for housing that receives funding from such grant amounts, but only to the extent that such purchases by the enterprises are funded other than with such grant amounts.

''(d) REDUCTION FOR FAILURE TO OBTAIN RETURN OF MISUSED FUNDS.—If in any year a State or State designated entity fails to obtain reimbursement or return of the full amount required under subsection (e)(1)(B) to be reimbursed or returned to the State or State designated entity during such year—

''(1) except as provided in paragraph (2)—

''(A) the amount of the grant for the State or State designated entity for the succeeding year, as determined pursuant to this section, shall be reduced by the amount by which such amounts required to be reimbursed or returned exceed the amount actually reimbursed or returned; and

''(B) the amount of the grant for the succeeding year for each other State or State designated entity whose grant is not reduced pursuant to subparagraph (A) shall be increased by the amount determined by applying the formula established pursuant to this section to the total amount of all reductions for all State or State designated entities for such year pursuant to subparagraph (A); or

''(2) in any case in which such failure to obtain reimbursement or return occurs during a year immediately preceding a year in which grants under this section will not be made, the State or State designated entity shall pay to the Secretary for reallocation among the other grantees an amount equal to the amount of the reduction for the entity that would otherwise apply under paragraph (1)(A).

''(e) ACCOUNTABILITY OF RECIPIENTS AND GRANTEES.—

''(1) RECIPIENTS.—

''(A) TRACKING OF FUNDS.—The Secretary shall—

''(i) require each State or State designated entity to develop and maintain a system to ensure that each recipient of assistance under this section uses such amounts in accordance with this section, the regulations issued under this section, and any requirements or conditions under which such amounts were provided; and

''(ii) establish minimum requirements for agreements, between the State or State designated entity and recipients, regarding assistance under this section, which shall include—

''(I) appropriate periodic financial and project reporting, record retention, and audit requirements for the duration of the assistance to the recipient to ensure compliance with the limitations and requirements of this section and the regulations under this section; and

''(II) any other requirements that the Secretary determines are necessary to ensure appropriate administration and compliance.

''(B) MISUSE OF FUNDS.—

''(i) REIMBURSEMENT REQUIREMENT.—If any recipient of assistance under this section is determined, in accordance with clause (ii), to have used any such amounts in a manner that is materially in violation of this section, the regulations issued under this section, or any requirements or conditions under which such amounts were provided, the State or State designated entity shall require that, within 12 months after the determination of such misuse, the recipient shall reimburse the State or State designated entity for such misused amounts and return to the State or State designated entity any such amounts that remain unused or uncommitted for use. The remedies under this clause are in addition to any other remedies that may be available under law.

''(ii) DETERMINATION.—A determination is made in accordance with this clause if the determination is made by the Secretary or made by the State or State designated entity, provided that—

''(I) the State or State designated entity provides notification of the determination to the Secretary for review, in the discretion of the Secretary, of the determination; and

''(II) the Secretary does not subsequently reverse the determination.

''(2) GRANTEES.—

''(A) REPORT.—

''(i) IN GENERAL.—The Secretary shall require each State or State designated entity receiving grant amounts in any given year under this section to submit a report, for such year, to the Secretary that—

''(I) describes the activities funded under this section during such year with such grant amounts; and

''(II) the manner in which the State or State designated entity complied during such year with any allocation plan established pursuant to subsection (c).

''(ii) PUBLIC AVAILABILITY.—The Secretary shall make such reports pursuant to this subparagraph publicly available.

''(B) MISUSE OF FUNDS.—If the Secretary determines, after reasonable notice and opportunity for hearing, that a State or State designated entity has failed to comply substantially with any provision of this section, and until the Secretary is satisfied that there is no longer any such failure to comply, the Secretary shall—

''(i) reduce the amount of assistance under this section to the State or State designated entity by an amount equal to the amount of grant amounts which were not used in accordance with this section;

''(ii) require the State or State designated entity to repay the Secretary any amount of the grant which was not used in accordance with this section;

''(iii) limit the availability of assistance under this section to the State or State designated entity to activities or recipients not affected by such failure to comply; or

''(iv) terminate any assistance under this section to the State or State designated entity.

''(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) EXTREMELY LOW-INCOME RENTER HOUSEHOLD.—The term 'extremely low-income renter household' means a household whose income is not in excess of 30 percent of the area median income, with adjustments for smaller and larger families, as determined by the Secretary.

''(2) RECIPIENT.—The term 'recipient' means an individual or entity that receives assistance from a State or State designated entity from amounts made available to the State or State designated entity under this section.

''(3) SHORTAGE OF STANDARD RENTAL UNITS BOTH AFFORDABLE AND AVAILABLE TO EXTREMELY LOW-INCOME RENTER HOUSEHOLDS.—

''(A) IN GENERAL.—The term 'shortage of standard rental units both affordable and available to extremely low-income renter households' means for any State or other geographical area the gap between—

''(i) the number of units with complete plumbing and kitchen facilities with a rent that is 30 percent or less of 30 percent of the adjusted area median income as determined by the Secretary that are occupied by extremely low-income renter households or are vacant for rent; and

''(ii) the number of extremely low-income renter households.

''(B) RULE OF CONSTRUCTION.—If the number of units described in subparagraph (A)(i) exceeds the number of extremely low-income households as described in subparagraph (A)(ii), there is no shortage.

''(4) SHORTAGE OF STANDARD RENTAL UNITS BOTH AFFORDABLE AND AVAILABLE TO VERY LOW-INCOME RENTER HOUSEHOLDS.—

''(A) IN GENERAL.—The term 'shortage of standard rental units both affordable and available to very low-income renter households' means for any State or other geographical area the gap between—

''(i) the number of units with complete plumbing and kitchen facilities with a rent that is 30 percent or less of 50 percent of the adjusted area median income as determined by the Secretary that are occupied by very low-income renter households or are vacant for rent; and

''(ii) the number of very low-income renter households.

''(B) RULE OF CONSTRUCTION.—If the number of units described in subparagraph (A)(i) exceeds the number of very low-income households as described in subparagraph (A)(ii), there is no shortage.

''(5) VERY LOW-INCOME FAMILY.—The term 'very low-income family' has the meaning given such term in section 1303, except that such term includes any family that resides in a rural area that has an income that does not exceed the poverty line (as such term is defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), including any revision required by such section) applicable to a family of the size involved.

''(6) VERY LOW-INCOME RENTER HOUSEHOLDS.—The term 'very low-income renter households' means a household whose income is in excess of 30 percent but not greater than 50 percent of the area median income, with adjustments for smaller and larger families, as determined by the Secretary.

''(g) REGULATIONS.—

''(1) IN GENERAL.—The Secretary shall issue regulations to carry out this section.

''(2) REQUIRED CONTENTS.—The regulations issued under this subsection shall include—

''(A) a requirement that the Secretary ensure that the use of grant amounts under this section by States or State designated

entities is audited not less than annually to ensure compliance with this section;

''(B) authority for the Secretary to audit, provide for an audit, or otherwise verify a State or State designated entity's activities to ensure compliance with this section;

''(C) requirements for a process for application to, and selection by, each State or State designated entity for activities meeting the State or State designated entity's priority housing needs to be funded with grant amounts under this section, which shall provide for priority in funding to be based upon—

''(i) geographic diversity;

''(ii) ability to obligate amounts and undertake activities so funded in a timely manner;

''(iii) in the case of rental housing projects under subsection (c)(7)(A), the extent to which rents for units in the project funded are affordable, especially for extremely low-income families;

''(iv) in the case of rental housing projects under subsection (c)(7)(A), the extent of the duration for which such rents will remain affordable;

''(v) the extent to which the application makes use of other funding sources; and

''(vi) the merits of an applicant's proposed eligible activity;

''(D) requirements to ensure that grant amounts provided to a State or State designated entity under this section that are used for rental housing under subsection (c)(7)(A) are used only for the benefit of extremely low- and very low-income families; and

''(E) requirements and standards for establishment, by a State or State designated entity, for use of grant amounts in 2009 and subsequent years of performance goals, benchmarks, and timetables for the production, preservation, and rehabilitation of affordable rental and homeownership housing with such grant amounts.

''(h) AFFORDABLE HOUSING TRUST FUND.—If, after the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008, in any year, there is enacted any provision of Federal law establishing an affordable housing trust fund other than under this title for use only for grants to provide affordable rental housing and affordable homeownership opportunities, and the subsequent year is a year referred to in subsection (c), the Secretary shall in such subsequent year and any remaining years referred to in subsection (c) transfer to such affordable housing trust fund the aggregate amount allocated pursuant to subsection (c) in such year. Notwithstanding any other provision of law, assistance provided using amounts transferred to such affordable housing trust fund pursuant to this subsection may not be used for any of the activities specified in clauses (i) through (vi) of subsection (c)(9)(D).

''(i) FUNDING ACCOUNTABILITY AND TRANSPARENCY.—Any grant under this section to a grantee by a State or State designated entity, any assistance provided to a recipient by a State or State designated entity, and any grant, award, or other assistance from an affordable housing trust fund referred to in subsection (h) shall be considered a Federal award for purposes of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note). Upon the request of the Director of the Office of Management and Budget, the Secretary shall obtain and provide such information regarding any such grants, assistance, and awards as the Director of the Office of Management and Budget considers necessary to comply with the requirements of such Act, as applicable, pursuant to the preceding sentence.

''SEC. 1339. CAPITAL MAGNET FUND.

''(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the Capital Magnet Fund, which shall be a special account within the Community Development Financial Institutions Fund.

''(b) DEPOSITS TO TRUST FUND.—The Capital Magnet Fund shall consist of—

''(1) any amounts transferred to the Fund pursuant to section 1337; and

''(2) any amounts as are or may be appropriated, transferred, or credited to such Fund under any other provisions of law.

''(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Capital Magnet Fund shall be available to the Secretary of the Treasury to carry out a competitive grant program to attract private capital for and increase investment in—

''(1) the development, preservation, rehabilitation, or purchase of affordable housing for primarily extremely low-, very low-, and low-income families; and

''(2) economic development activities or community service facilities, such as day care centers, workforce development centers, and health care clinics, which in conjunction with affordable housing activities implement a concerted strategy to stabilize or revitalize a low-income area or underserved rural area.

''(d) FEDERAL ASSISTANCE.—All assistance provided using amounts in the Capital Magnet Fund shall be considered to be Federal financial assistance.

''(e) ELIGIBLE GRANTEES.—A grant under this section may be made, pursuant to such requirements as the Secretary of the Treasury shall establish for experience and success in attracting private financing and carrying out the types of activities proposed under the application of the grantee, only to—

''(1) a Treasury certified community development financial institution; or

''(2) a nonprofit organization having as 1 of its principal purposes the development or management of affordable housing.

''(f) ELIGIBLE USES.—Grant amounts awarded from the Capital Magnet Fund pursuant to this section may be used for the purposes described in paragraphs (1) and (2) of subsection (c), including for the following uses:

''(1) To provide loan loss reserves.

''(2) To capitalize a revolving loan fund.

''(3) To capitalize an affordable housing fund.

''(4) To capitalize a fund to support activities described in subsection (c)(2).

''(5) For risk-sharing loans.

''(g) APPLICATIONS.—

''(1) IN GENERAL.—The Secretary of the Treasury shall provide, in a competitive application process established by regulation, for eligible grantees under subsection (e) to submit applications for Capital Magnet Fund grants to the Secretary at such time and in such manner as the Secretary shall determine.

''(2) CONTENT OF APPLICATION.—The application required under paragraph (1) shall include a detailed description of—

''(A) the types of affordable housing, economic, and community revitalization projects that support or sustain residents of an affordable housing project funded by a grant under this section for which such grant amounts would be used, including the proposed use of eligible grants as authorized under this section;

''(B) the types, sources, and amounts of other funding for such projects; and

''(C) the expected time frame of any grant used for such project.

''(h) GRANT LIMITATION.—

''(1) IN GENERAL.—Any 1 eligible grantee and its subsidiaries and affiliates may not be awarded more than 15 percent of the aggregate funds available for grants during any year from the Capital Magnet Fund.

''(2) GEOGRAPHIC DIVERSITY.—

''(A) GOAL.—The Secretary of the Treasury shall seek to fund activities in geographically diverse areas of economic distress, including metropolitan and underserved rural areas in every State.

''(B) DIVERSITY DEFINED.—For purposes of this paragraph, geographic diversity includes those areas that meet objective criteria of economic distress developed by the Secretary of the Treasury, which may include—

''(i) the percentage of low-income families or the extent of poverty;

''(ii) the rate of unemployment or underemployment;

''(iii) extent of blight and disinvestment;

''(iv) projects that target extremely low-, very low-, and low-income families in or outside a designated economic distress area; or

''(v) any other criteria designated by the Secretary of the Treasury.

''(3) LEVERAGE OF FUNDS.—Each grant from the Capital Magnet Fund awarded under this section shall be reasonably expected to result in eligible housing, or economic and community development projects that support or sustain an affordable housing project funded by a grant under this section whose aggregate costs total at least 10 times the grant amount.

''(4) COMMITMENT FOR USE DEADLINE.—Amounts made available for grants under this section shall be committed for use within 2 years of the date of such allocation. The Secretary of the Treasury shall recapture into the Capital Magnet Fund any amounts not so used or committed for use and allocate such amounts in the first year after such recapture.

''(5) LOBBYING RESTRICTIONS.—No assistance or amounts made available under this section may be expended by an eligible grantee to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan, or cooperative agreement as such terms are defined in section 1352 of title 31, United States Code.

''(6) PROHIBITION OF CONSIDERATION OF USE FOR MEETING HOUSING GOALS OR DUTY TO SERVE.—In determining the compliance of the enterprises with the housing goals under this section and the duty to serve underserved markets under section 1335, the Director of the Federal Housing Finance Agency may not consider any Capital Magnet Fund amounts used under this section for eligible activities under subsection (f). The Director of the Federal Housing Finance Agency shall give credit toward the achievement of such housing goals and such duty to serve underserved markets to purchases by the enterprises of mortgages for housing that receives funding from Capital Magnet Fund grant amounts, but only to the extent that such purchases by the enterprises are funded other than with such grant amounts.

''(7) ACCOUNTABILITY OF RECIPIENTS AND GRANTEES.—

''(A) TRACKING OF FUNDS.—The Secretary of the Treasury shall—

''(i) require each grantee to develop and maintain a system to ensure that each recipient of assistance from the Capital Magnet Fund uses such amounts in accordance with this section, the regulations issued under this section, and any requirements or conditions under which such amounts were provided; and

''(ii) establish minimum requirements for agreements, between the grantee and the Capital Magnet Fund, regarding assistance

from the Capital Magnet Fund, which shall include—

''(I) appropriate periodic financial and project reporting, record retention, and audit requirements for the duration of the grant to the recipient to ensure compliance with the limitations and requirements of this section and the regulations under this section; and

''(II) any other requirements that the Secretary determines are necessary to ensure appropriate grant administration and compliance.

''(B) MISUSE OF FUNDS.—If the Secretary of the Treasury determines, after reasonable notice and opportunity for hearing, that a grantee has failed to comply substantially with any provision of this section and until the Secretary is satisfied that there is no longer any such failure to comply, the Secretary shall—

''(i) reduce the amount of assistance under this section to the grantee by an amount equal to the amount of Capital Magnet Fund grant amounts which were not used in accordance with this section;

''(ii) require the grantee to repay the Secretary any amount of the Capital Magnet Fund grant amounts which were not used in accordance with this section;

''(iii) limit the availability of assistance under this section to the grantee to activities or recipients not affected by such failure to comply; or

''(iv) terminate any assistance under this section to the grantee.

''(i) PERIODIC REPORTS.—

''(1) IN GENERAL.—The Secretary of the Treasury shall submit a report, on a periodic basis, 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 activities to be funded under this section.

''(2) REPORTS AVAILABLE TO PUBLIC.—The Secretary of the Treasury shall make the reports required under paragraph (1) publicly available.

''(j) REGULATIONS.—

''(1) IN GENERAL.—The Secretary of the Treasury shall issue regulations to carry out this section.

''(2) REQUIRED CONTENTS.—The regulations issued under this subsection shall include—

''(A) authority for the Secretary to audit, provide for an audit, or otherwise verify an enterprise's activities, to ensure compliance with this section;

''(B) a requirement that the Secretary ensure that the allocation of each enterprise is audited not less than annually to ensure compliance with this section; and

''(C) requirements for a process for application to, and selection by, the Secretary for activities to be funded with amounts from the Capital Magnet Fund, which shall provide that—

''(i) funds be fairly distributed to urban, suburban, and rural areas; and

''(ii) selection shall be based upon specific criteria, including a prioritization of funding based upon—

''(I) the ability to use such funds to generate additional investments;

''(II) affordable housing need (taking into account the distinct needs of different regions of the country); and

''(III) ability to obligate amounts and undertake activities so funded in a timely manner.''.

SEC. 1132. FINANCIAL EDUCATION AND COUNSELING.

(a) GOALS.—Financial education and counseling under this section shall have the goal of—

(1) increasing the financial knowledge and decision making capabilities of prospective homebuyers;

(2) assisting prospective homebuyers to develop monthly budgets, build personal savings, finance or plan for major purchases, reduce their debt, improve their financial stability, and set and reach their financial goals;

(3) helping prospective homebuyers to improve their credit scores by understanding the relationship between their credit histories and their credit scores; and

(4) educating prospective homebuyers about the options available to build savings for short- and long-term goals.

(b) GRANTS.—

(1) IN GENERAL.—The Secretary of the Treasury (in this section referred to as the ''Secretary'') shall make grants to eligible organizations to enable such organizations to provide a range of financial education and counseling services to prospective homebuyers.

(2) SELECTION.—The Secretary shall select eligible organizations to receive assistance under this section based on their experience and ability to provide financial education and counseling services that result in documented positive behavioral changes.

(c) ELIGIBLE ORGANIZATIONS.—

(1) IN GENERAL.—For purposes of this section, the term ''eligible organization'' means an organization that is—

(A) certified in accordance with section 106(e)(1) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)); or

(B) certified by the Office of Financial Education of the Department of the Treasury for purposes of this section, in accordance with paragraph (2).

(2) OFE CERTIFICATION.—To be certified by the Office of Financial Education for purposes of this section, an eligible organization shall be—

(A) a housing counseling agency certified by the Secretary of Housing and Urban Development under section 106(e) of the Housing and Urban Development Act of 1968;

(B) a State, local, or tribal government agency;

(C) a community development financial institution (as defined in section 103(5) of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702(5)) or a credit union; or

(D) any collaborative effort of entities described in any of subparagraphs (A) through (C).

(d) AUTHORITY FOR PILOT PROJECTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall authorize not more than 5 pilot project grants to eligible organizations under subsection (c) in order to—

(A) carry out the services under this section; and

(B) provide such other services that will improve the financial stability and economic condition of low- and moderate-income and low-wealth individuals.

(2) GOAL.—The goal of the pilot project grants under this subsection is to—

(A) identify successful methods resulting in positive behavioral change for financial empowerment; and

(B) establish program models for organizations to carry out effective counseling services.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section and for the provision of additional financial educational services.

(f) STUDY AND REPORT ON EFFECTIVENESS AND IMPACT.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study on the effectiveness and impact of the grant program established under this section. Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit a report on the results of such study to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(2) CONTENT OF STUDY.—The study required under paragraph (1) shall include an evaluation of the following:

(A) The effectiveness of the grant program established under this section in improving the financial situation of homeowners and prospective homebuyers served by the grant program.

(B) The extent to which financial education and counseling services have resulted in positive behavioral changes.

(C) The effectiveness and quality of the eligible organizations providing financial education and counseling services under the grant program.

(g) REGULATIONS.—The Secretary is authorized to promulgate such regulations as may be necessary to implement and administer the grant program authorized by this section.

SEC. 1133. TRANSFER AND RIGHTS OF CERTAIN HUD EMPLOYEES.

(a) TRANSFER.—Each employee of the Department of Housing and Urban Development whose position responsibilities primarily involve the establishment and enforcement of the housing goals under subpart B of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4561 et seq.) shall be transferred to the Federal Housing Finance Agency for employment, not later than the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(b) GUARANTEED POSITIONS.—

(1) IN GENERAL.—Each employee transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer.

(2) NO INVOLUNTARY SEPARATION OR REDUCTION.—An employee transferred under subsection (a) holding a permanent position on the day immediately preceding the transfer may not be involuntarily separated or reduced in grade or compensation during the 12-month period beginning on the date of transfer, except for cause, or, in the case of a temporary employee, separated in accordance with the terms of the appointment of the employee.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED AND SENIOR EXECUTIVE SERVICE EMPLOYEES.—

(1) IN GENERAL.—In the case of an employee occupying a position in the excepted service or the Senior Executive Service, any appointment authority established under law or by regulations of the Office of Personnel Management for filling such position shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director may decline a transfer of authority under paragraph (1) to the extent that such authority relates to—

(A) a position excepted from the competitive service because of its confidential, policymaking, policy-determining, or policy-advocating character; or

(B) a noncareer position in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(d) REORGANIZATION.—If the Director determines, after the end of the 1-year period beginning on the effective date of the Federal Housing Finance Regulatory Reform Act of 2008, that a reorganization of the combined workforce is required, that reorganization shall be deemed a major reorganization for

purposes of affording affected employee retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—

(1) IN GENERAL.—Any employee described under subsection (a) accepting employment with the Agency as a result of a transfer under subsection (a) may retain, for 12 months after the date on which such transfer occurs, membership in any employee benefit program of the Agency or the Department of Housing and Urban Development, as applicable, including insurance, to which such employee belongs on such effective date, if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director of the Federal Housing Finance Agency.

(2) COST DIFFERENTIAL.—

(A) IN GENERAL.—The difference in the costs between the benefits which would have been provided by the Department of Housing and Urban Development and those provided by this section shall be paid by the Director.

(B) HEALTH INSURANCE.—If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Director, the employee shall be permitted to select an alternate Federal health insurance program not later than 30 days after the date of such election or notice, without regard to any other regularly scheduled open season.

Subtitle C—Prompt Corrective Action

SEC. 1141. CRITICAL CAPITAL LEVELS.

(a) IN GENERAL.—Section 1363 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4613) is amended—

(1) by striking ''For'' and inserting ''(a) ENTERPRISES.—FOR''; and

(2) by adding at the end the following new subsection:

''(b) FEDERAL HOME LOAN BANKS.—

''(1) IN GENERAL.—For purposes of this subtitle, the critical capital level for each Federal Home Loan Bank shall be such amount of capital as the Director shall, by regulation, require.

''(2) CONSIDERATION OF OTHER CRITICAL CAPITAL LEVELS.—In establishing the critical capital level under paragraph (1) for the Federal Home Loan Banks, the Director shall take due consideration of the critical capital level established under subsection (a) for the enterprises, with such modifications as the Director determines to be appropriate to reflect the difference in operations between the banks and the enterprises.''.

(b) REGULATIONS.—Not later than the expiration of the 180-day period beginning on the date of enactment of this Act, the Director of the Federal Housing Finance Agency shall issue regulations pursuant to section 1363(b) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (as added by this section) establishing the critical capital level under such section.

SEC. 1142. CAPITAL CLASSIFICATIONS.

(a) IN GENERAL.—Section 1364 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4614) is amended—

(1) in the heading for subsection (a) by striking ''In General'' and inserting ''Enterprises'';

(2) in subsection (c)—

(A) by striking ''subsection (b)'' and inserting ''subsection (c)'';

(B) by striking ''enterprises'' and inserting ''regulated entities''; and

(C) by striking the last sentence;

(3) by redesignating subsections (c) (as so amended by paragraph (2) of this subsection) and (d) as subsections (d) and (f), respectively;

(4) by striking subsection (b) and inserting the following:

''(b) FEDERAL HOME LOAN BANKS.—

''(1) ESTABLISHMENT AND CRITERIA.—For purposes of this subtitle, the Director shall, by regulation—

''(A) establish the capital classifications specified under paragraph (2) for the Federal Home Loan Banks;

''(B) establish criteria for each such capital classification based on the amount and types of capital held by a bank and the risk-based, minimum, and critical capital levels for the banks and taking due consideration of the capital classifications established under subsection (a) for the enterprises, with such modifications as the Director determines to be appropriate to reflect the difference in operations between the banks and the enterprises; and

''(C) shall classify the Federal Home Loan Banks according to such capital classifications.

''(2) CLASSIFICATIONS.—The capital classifications specified under this paragraph are—

''(A) adequately capitalized;

''(B) undercapitalized;

''(C) significantly undercapitalized; and

''(D) critically undercapitalized.

''(c) DISCRETIONARY CLASSIFICATION.—

''(1) GROUNDS FOR RECLASSIFICATION.—The Director may reclassify a regulated entity under paragraph (2) if—

''(A) at any time, the Director determines in writing that the regulated entity is engaging in conduct that could result in a rapid depletion of core or total capital or the value of collateral pledged as security has decreased significantly or that the value of the property subject to any mortgage held by the regulated entity (or securitized in the case of an enterprise) has decreased significantly;

''(B) after notice and an opportunity for hearing, the Director determines that the regulated entity is in an unsafe or unsound condition; or

''(C) pursuant to section 1371(b), the Director deems the regulated entity to be engaging in an unsafe or unsound practice.

''(2) RECLASSIFICATION.—In addition to any other action authorized under this title, including the reclassification of a regulated entity for any reason not specified in this subsection, if the Director takes any action described in paragraph (1), the Director may classify a regulated entity—

''(A) as undercapitalized, if the regulated entity is otherwise classified as adequately capitalized;

''(B) as significantly undercapitalized, if the regulated entity is otherwise classified as undercapitalized; and

''(C) as critically undercapitalized, if the regulated entity is otherwise classified as significantly undercapitalized.''; and

(5) by inserting after subsection (d) (as so redesignated by paragraph (3) of this subsection), the following new subsection:

''(e) RESTRICTION ON CAPITAL DISTRIBUTIONS.—

''(1) IN GENERAL.—A regulated entity shall make no capital distribution if, after making the distribution, the regulated entity would be undercapitalized.

''(2) EXCEPTION.—Notwithstanding paragraph (1), the Director may permit a regulated entity, to the extent appropriate or applicable, to repurchase, redeem, retire, or otherwise acquire shares or ownership interests if the repurchase, redemption, retirement, or other acquisition—

''(A) is made in connection with the issuance of additional shares or obligations of the regulated entity in at least an equivalent amount; and

''(B) will reduce the financial obligations of the regulated entity or otherwise improve the financial condition of the entity.''.

(b) REGULATIONS.—Not later than the expiration of the 180-day period beginning on the date of enactment of this Act, the Director of the Federal Housing Finance Agency shall issue regulations to carry out section 1364(b) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (as added by this section), relating to capital classifications for the Federal Home Loan Banks.

SEC. 1143. SUPERVISORY ACTIONS APPLICABLE TO UNDERCAPITALIZED REGULATED ENTITIES.

Section 1365 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4615) is amended—

(1) by striking ''the enterprise'' each place that term appears and inserting ''the regulated entity'';

(2) by striking ''An enterprise'' each place that term appears and inserting ''A regulated entity'';

(3) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity'';

(4) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively;

(B) by inserting before paragraph (2), as redesignated, the following:

''(1) REQUIRED MONITORING.—The Director shall—

''(A) closely monitor the condition of any undercapitalized regulated entity;

''(B) closely monitor compliance with the capital restoration plan, restrictions, and requirements imposed on an undercapitalized regulated entity under this section; and

''(C) periodically review the plan, restrictions, and requirements applicable to an undercapitalized regulated entity to determine whether the plan, restrictions, and requirements are achieving the purpose of this section.''; and

(C) by adding at the end the following:

''(4) RESTRICTION OF ASSET GROWTH.—An undercapitalized regulated entity shall not permit its average total assets during any calendar quarter to exceed its average total assets during the preceding calendar quarter, unless—

''(A) the Director has accepted the capital restoration plan of the regulated entity;

''(B) any increase in total assets is consistent with the capital restoration plan; and

''(C) the ratio of tangible equity to assets of the regulated entity increases during the calendar quarter at a rate sufficient to enable the regulated entity to become adequately capitalized within a reasonable time.

''(5) PRIOR APPROVAL OF ACQUISITIONS AND NEW ACTIVITIES.—An undercapitalized regulated entity shall not, directly or indirectly, acquire any interest in any entity or engage in any new activity, unless—

''(A) the Director has accepted the capital restoration plan of the regulated entity, the regulated entity is implementing the plan, and the Director determines that the proposed action is consistent with and will further the achievement of the plan; or

''(B) the Director determines that the proposed action will further the purpose of this subtitle.'';

(5) in subsection (b)—

(A) in the subsection heading, by striking ''DISCRETIONARY'';

(B) in the matter preceding paragraph (1), by striking ''may'' and inserting ''shall''; and

(C) in paragraph (2)—

(i) by striking ''make, in good faith, reasonable efforts necessary to''; and

(ii) by striking the period at the end and inserting ''in any material respect.''; and

(6) by striking subsection (c) and inserting the following:

''(c) OTHER DISCRETIONARY SAFEGUARDS.—The Director may take, with respect to an undercapitalized regulated entity, any of the actions authorized to be taken under section 1366 with respect to a significantly undercapitalized regulated entity, if the Director determines that such actions are necessary to carry out the purpose of this subtitle.''.

SEC. 1144. SUPERVISORY ACTIONS APPLICABLE TO SIGNIFICANTLY UNDERCAPITALIZED REGULATED ENTITIES.

Section 1366 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4616) is amended—

(1) in subsection (a)(2), by striking ''undercapitalized enterprise'' and inserting ''undercapitalized'';

(2) by striking ''the enterprise'' each place that term appears and inserting ''the regulated entity'';

(3) by striking ''An enterprise'' each place that term appears and inserting ''A regulated entity'';

(4) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity'';

(5) in subsection (b)—

(A) in the subsection heading, by striking ''DISCRETIONARY SUPERVISORY'' and inserting ''SPECIFIC'';

(B) in the matter preceding paragraph (1), by striking ''may, at any time, take any'' and inserting ''shall carry out this section by taking, at any time, 1 or more'';

(C) by striking paragraph (6);

(D) by redesignating paragraph (5) as paragraph (6);

(E) by inserting after paragraph (4) the following:

''(5) IMPROVEMENT OF MANAGEMENT.—Take 1 or more of the following actions:

''(A) NEW ELECTION OF BOARD.—Order a new election for the board of directors of the regulated entity.

''(B) DISMISSAL OF DIRECTORS OR EXECUTIVE OFFICERS.—Require the regulated entity to dismiss from office any director or executive officer who had held office for more than 180 days immediately before the date on which the regulated entity became undercapitalized. Dismissal under this subparagraph shall not be construed to be a removal pursuant to the enforcement powers of the Director under section 1377.

''(C) EMPLOY QUALIFIED EXECUTIVE OFFICERS.—Require the regulated entity to employ qualified executive officers (who, if the Director so specifies, shall be subject to approval by the Director).''; and

(F) by adding at the end the following:

''(7) OTHER ACTION.—Require the regulated entity to take any other action that the Director determines will better carry out the purpose of this section than any of the other actions specified in this subsection.''; and

(6) by striking subsection (c) and inserting the following:

''(c) RESTRICTION ON COMPENSATION OF EXECUTIVE OFFICERS.—A regulated entity that is classified as significantly undercapitalized in accordance with section 1364 may not, without prior written approval by the Director—

''(1) pay any bonus to any executive officer; or

''(2) provide compensation to any executive officer at a rate exceeding the average rate of compensation of that officer (excluding bonuses, stock options, and profit sharing) during the 12 calendar months preceding the calendar month in which the regulated entity became significantly undercapitalized.''.

SEC. 1145. AUTHORITY OVER CRITICALLY UNDERCAPITALIZED REGULATED ENTITIES.

(a) IN GENERAL.—Section 1367 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4617) is amended to read as follows:

''SEC. 1367. AUTHORITY OVER CRITICALLY UNDERCAPITALIZED REGULATED ENTITIES.

''(a) APPOINTMENT OF THE AGENCY AS CONSERVATOR OR RECEIVER.—

''(1) IN GENERAL.—Notwithstanding any other provision of Federal or State law, the Director may appoint the Agency as conservator or receiver for a regulated entity in the manner provided under paragraph (2) or (4). All references to the conservator or receiver under this section are references to the Agency acting as conservator or receiver.

''(2) DISCRETIONARY APPOINTMENT.—The Agency may, at the discretion of the Director, be appointed conservator or receiver for the purpose of reorganizing, rehabilitating, or winding up the affairs of a regulated entity.

''(3) GROUNDS FOR DISCRETIONARY APPOINTMENT OF CONSERVATOR OR RECEIVER.—The grounds for appointing conservator or receiver for any regulated entity under paragraph (2) are as follows:

''(A) SUBSTANTIAL DISSIPATION.—Substantial dissipation of assets or earnings due to—

''(i) any violation of any provision of Federal or State law; or

''(ii) any unsafe or unsound practice.

''(B) UNSAFE OR UNSOUND CONDITION.—An unsafe or unsound condition to transact business.

''(C) CEASE AND DESIST ORDERS.—Any willful violation of a cease and desist order that has become final.

''(D) CONCEALMENT.—Any concealment of the books, papers, records, or assets of the regulated entity, or any refusal to submit the books, papers, records, or affairs of the regulated entity, for inspection to any examiner or to any lawful agent of the Director.

''(E) INABILITY TO MEET OBLIGATIONS.—The regulated entity is likely to be unable to pay its obligations or meet the demands of its creditors in the normal course of business.

''(F) LOSSES.—The regulated entity has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and there is no reasonable prospect for the regulated entity to become adequately capitalized (as defined in section 1364(a)(1)).

''(G) VIOLATIONS OF LAW.—Any violation of any law or regulation, or any unsafe or unsound practice or condition that is likely to—

''(i) cause insolvency or substantial dissipation of assets or earnings; or

''(ii) weaken the condition of the regulated entity.

''(H) CONSENT.—The regulated entity, by resolution of its board of directors or its shareholders or members, consents to the appointment.

''(I) UNDERCAPITALIZATION.—The regulated entity is undercapitalized or significantly undercapitalized (as defined in section 1364(a)(3)), and—

''(i) has no reasonable prospect of becoming adequately capitalized;

''(ii) fails to become adequately capitalized, as required by—

''(I) section 1365(a)(1) with respect to a regulated entity; or

''(II) section 1366(a)(1) with respect to a significantly undercapitalized regulated entity;

''(iii) fails to submit a capital restoration plan acceptable to the Agency within the time prescribed under section 1369C; or

''(iv) materially fails to implement a capital restoration plan submitted and accepted under section 1369C.

''(J) CRITICAL UNDERCAPITALIZATION.—The regulated entity is critically undercapitalized, as defined in section 1364(a)(4).

''(K) MONEY LAUNDERING.—The Attorney General notifies the Director in writing that the regulated entity has been found guilty of a criminal offense under section 1956 or 1957 of title 18, United States Code, or section 5322 or 5324 of title 31, United States Code.

''(4) MANDATORY RECEIVERSHIP.—

''(A) IN GENERAL.—The Director shall appoint the Agency as receiver for a regulated entity if the Director determines, in writing, that—

''(i) the assets of the regulated entity are, and during the preceding 60 calendar days have been, less than the obligations of the regulated entity to its creditors and others; or

''(ii) the regulated entity is not, and during the preceding 60 calendar days has not been, generally paying the debts of the regulated entity (other than debts that are the subject of a bona fide dispute) as such debts become due.

''(B) PERIODIC DETERMINATION REQUIRED FOR CRITICALLY UNDERCAPITALIZED REGULATED ENTITY.—If a regulated entity is critically undercapitalized, the Director shall make a determination, in writing, as to whether the regulated entity meets the criteria specified in clause (i) or (ii) of subparagraph (A)—

''(i) not later than 30 calendar days after the regulated entity initially becomes critically undercapitalized; and

''(ii) at least once during each succeeding 30-calendar day period.

''(C) DETERMINATION NOT REQUIRED IF RECEIVERSHIP ALREADY IN PLACE.—Subparagraph (B) does not apply with respect to a regulated entity in any period during which the Agency serves as receiver for the regulated entity.

''(D) RECEIVERSHIP TERMINATES CONSERVATORSHIP.—The appointment of the Agency as receiver of a regulated entity under this section shall immediately terminate any conservatorship established for the regulated entity under this title.

''(5) JUDICIAL REVIEW.—

''(A) IN GENERAL.—If the Agency is appointed conservator or receiver under this section, the regulated entity may, within 30 days of such appointment, bring an action in the United States district court for the judicial district in which the home office of such regulated entity is located, or in the United States District Court for the District of Columbia, for an order requiring the Agency to remove itself as conservator or receiver.

''(B) REVIEW.—Upon the filing of an action under subparagraph (A), the court shall, upon the merits, dismiss such action or direct the Agency to remove itself as such conservator or receiver.

''(6) DIRECTORS NOT LIABLE FOR ACQUIESCING IN APPOINTMENT OF CONSERVATOR OR RECEIVER.—The members of the board of directors of a regulated entity shall not be liable to the shareholders or creditors of the regulated entity for acquiescing in or consenting in good faith to the appointment of the Agency as conservator or receiver for that regulated entity.

''(7) AGENCY NOT SUBJECT TO ANY OTHER FEDERAL AGENCY.—When acting as conservator or receiver, the Agency shall not be subject to the direction or supervision of any other agency of the United States or any State in the exercise of the rights, powers, and privileges of the Agency.

''(b) POWERS AND DUTIES OF THE AGENCY AS CONSERVATOR OR RECEIVER.—

''(1) RULEMAKING AUTHORITY OF THE AGENCY.—The Agency may prescribe such regulations as the Agency determines to be appropriate regarding the conduct of conservatorships or receiverships.

''(2) GENERAL POWERS.—

''(A) SUCCESSOR TO REGULATED ENTITY.—The Agency shall, as conservator or receiver,

and by operation of law, immediately succeed to—

''(i) all rights, titles, powers, and privileges of the regulated entity, and of any stockholder, officer, or director of such regulated entity with respect to the regulated entity and the assets of the regulated entity; and

''(ii) title to the books, records, and assets of any other legal custodian of such regulated entity.

''(B) OPERATE THE REGULATED ENTITY.—The Agency may, as conservator or receiver—

''(i) take over the assets of and operate the regulated entity with all the powers of the shareholders, the directors, and the officers of the regulated entity and conduct all business of the regulated entity;

''(ii) collect all obligations and money due the regulated entity;

''(iii) perform all functions of the regulated entity in the name of the regulated entity which are consistent with the appointment as conservator or receiver;

''(iv) preserve and conserve the assets and property of the regulated entity; and

''(v) provide by contract for assistance in fulfilling any function, activity, action, or duty of the Agency as conservator or receiver.

''(C) FUNCTIONS OF OFFICERS, DIRECTORS, AND SHAREHOLDERS OF A REGULATED ENTITY.—The Agency may, by regulation or order, provide for the exercise of any function by any stockholder, director, or officer of any regulated entity for which the Agency has been named conservator or receiver.

''(D) POWERS AS CONSERVATOR.—The Agency may, as conservator, take such action as may be—

''(i) necessary to put the regulated entity in a sound and solvent condition; and

''(ii) appropriate to carry on the business of the regulated entity and preserve and conserve the assets and property of the regulated entity.

''(E) ADDITIONAL POWERS AS RECEIVER.—In any case in which the Agency is acting as receiver, the Agency shall place the regulated entity in liquidation and proceed to realize upon the assets of the regulated entity in such manner as the Agency deems appropriate, including through the sale of assets, the transfer of assets to a limited-life regulated entity established under subsection (i), or the exercise of any other rights or privileges granted to the Agency under this paragraph.

''(F) ORGANIZATION OF NEW ENTERPRISE.—The Agency shall, as receiver for an enterprise, organize a successor enterprise that will operate pursuant to subsection (i).

''(G) TRANSFER OR SALE OF ASSETS AND LIABILITIES.—The Agency may, as conservator or receiver, transfer or sell any asset or liability of the regulated entity in default, and may do so without any approval, assignment, or consent with respect to such transfer or sale.

''(H) PAYMENT OF VALID OBLIGATIONS.—The Agency, as conservator or receiver, shall, to the extent of proceeds realized from the performance of contracts or sale of the assets of a regulated entity, pay all valid obligations of the regulated entity that are due and payable at the time of the appointment of the Agency as conservator or receiver, in accordance with the prescriptions and limitations of this section.

''(I) SUBPOENA AUTHORITY.—

''(i) IN GENERAL.—

''(I) AGENCY AUTHORITY.—The Agency may, as conservator or receiver, and for purposes of carrying out any power, authority, or duty with respect to a regulated entity (including determining any claim against the regulated entity and determining and realizing upon any asset of any person in the course of collecting money due the regulated entity), exercise any power established under section 1348.

''(II) APPLICABILITY OF LAW.—The provisions of section 1348 shall apply with respect to the exercise of any power under this subparagraph, in the same manner as such provisions apply under that section.

''(ii) SUBPOENA.—A subpoena or subpoena duces tecum may be issued under clause (i) only by, or with the written approval of, the Director, or the designee of the Director.

''(iii) RULE OF CONSTRUCTION.—This subsection shall not be construed to limit any rights that the Agency, in any capacity, might otherwise have under section 1317 or 1379B.

''(J) INCIDENTAL POWERS.—The Agency may, as conservator or receiver—

''(i) exercise all powers and authorities specifically granted to conservators or receivers, respectively, under this section, and such incidental powers as shall be necessary to carry out such powers; and

''(ii) take any action authorized by this section, which the Agency determines is in the best interests of the regulated entity or the Agency.

''(K) OTHER PROVISIONS.—

''(i) SHAREHOLDERS AND CREDITORS OF FAILED REGULATED ENTITY.—Notwithstanding any other provision of law, the appointment of the Agency as receiver for a regulated entity pursuant to paragraph (2) or (4) of subsection (a) and its succession, by operation of law, to the rights, titles, powers, and privileges described in subsection (b)(2)(A) shall terminate all rights and claims that the stockholders and creditors of the regulated entity may have against the assets or charter of the regulated entity or the Agency arising as a result of their status as stockholders or creditors, except for their right to payment, resolution, or other satisfaction of their claims, as permitted under subsections (b)(9), (c), and (e).

''(ii) ASSETS OF REGULATED ENTITY.—Notwithstanding any other provision of law, for purposes of this section, the charter of a regulated entity shall not be considered an asset of the regulated entity.

''(3) AUTHORITY OF RECEIVER TO DETERMINE CLAIMS.—

''(A) IN GENERAL.—The Agency may, as receiver, determine claims in accordance with the requirements of this subsection and any regulations prescribed under paragraph (4).

''(B) NOTICE REQUIREMENTS.—The receiver, in any case involving the liquidation or winding up of the affairs of a closed regulated entity, shall—

''(i) promptly publish a notice to the creditors of the regulated entity to present their claims, together with proof, to the receiver by a date specified in the notice which shall be not less than 90 days after the date of publication of such notice; and

''(ii) republish such notice approximately 1 month and 2 months, respectively, after the date of publication under clause (i).

''(C) MAILING REQUIRED.—The receiver shall mail a notice similar to the notice published under subparagraph (B)(i) at the time of such publication to any creditor shown on the books of the regulated entity—

''(i) at the last address of the creditor appearing in such books; or

''(ii) upon discovery of the name and address of a claimant not appearing on the books of the regulated entity, within 30 days after the discovery of such name and address.

''(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—Subject to subsection (c), the Director may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determination of claims and review of such determination.

''(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—

''(A) DETERMINATION PERIOD.—

''(i) IN GENERAL.—Before the end of the 180-day period beginning on the date on which any claim against a regulated entity is filed with the Agency as receiver, the Agency shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.

''(ii) EXTENSION OF TIME.—The period described in clause (i) may be extended by a written agreement between the claimant and the Agency.

''(iii) MAILING OF NOTICE SUFFICIENT.—The requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

''(I) on the books of the regulated entity;

''(II) in the claim filed by the claimant; or

''(III) in documents submitted in proof of the claim.

''(iv) CONTENTS OF NOTICE OF DISALLOWANCE.—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

''(I) a statement of each reason for the disallowance; and

''(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

''(B) ALLOWANCE OF PROVEN CLAIM.—The receiver shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i) by the receiver from any claimant which is proved to the satisfaction of the receiver.

''(C) DISALLOWANCE OF CLAIMS FILED AFTER FILING PERIOD.—Claims filed after the date specified in the notice published under paragraph (3)(B)(i), or the date specified under paragraph (3)(C), shall be disallowed and such disallowance shall be final.

''(D) AUTHORITY TO DISALLOW CLAIMS.—

''(i) IN GENERAL.—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

''(ii) PAYMENTS TO LESS THAN FULLY SECURED CREDITORS.—In the case of a claim of a creditor against a regulated entity which is secured by any property or other asset of such regulated entity, the receiver—

''(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim against the regulated entity; and

''(II) may not make any payment with respect to such unsecured portion of the claim, other than in connection with the disposition of all claims of unsecured creditors of the regulated entity.

''(iii) EXCEPTIONS.—No provision of this paragraph shall apply with respect to—

''(I) any extension of credit from any Federal Reserve Bank, Federal Home Loan Bank, or the United States Treasury; or

''(II) any security interest in the assets of the regulated entity securing any such extension of credit.

''(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the determination of the Agency under subparagraph (D) to disallow a claim.

''(F) LEGAL EFFECT OF FILING.—

''(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

''(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (10), the filing of a claim

with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the date of the appointment of the receiver, subject to the determination of claims by the receiver.

''(6) PROVISION FOR JUDICIAL DETERMINATION OF CLAIMS.—

''(A) IN GENERAL.—The claimant may file suit on a claim (or continue an action commenced before the appointment of the receiver) in the district or territorial court of the United States for the district within which the principal place of business of the regulated entity is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim), before the end of the 60-day period beginning on the earlier of—

''(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a regulated entity for which the Agency is receiver; or

''(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i).

''(B) STATUTE OF LIMITATIONS.—A claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver), and such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim, if the claimant fails, before the end of the 60-day period described under subparagraph (A), to file suit on such claim (or continue an action commenced before the appointment of the receiver).

''(7) REVIEW OF CLAIMS.—

''(A) OTHER REVIEW PROCEDURES.—

''(i) IN GENERAL.—The Agency shall establish such alternative dispute resolution processes as may be appropriate for the resolution of claims filed under paragraph (5)(A)(i).

''(ii) CRITERIA.—In establishing alternative dispute resolution processes, the Agency shall strive for procedures which are expeditious, fair, independent, and low cost.

''(iii) VOLUNTARY BINDING OR NONBINDING PROCEDURES.—The Agency may establish both binding and nonbinding processes under this subparagraph, which may be conducted by any government or private party. All parties, including the claimant and the Agency, must agree to the use of the process in a particular case.

''(B) CONSIDERATION OF INCENTIVES.—The Agency shall seek to develop incentives for claimants to participate in the alternative dispute resolution process.

''(8) EXPEDITED DETERMINATION OF CLAIMS.—

''(A) ESTABLISHMENT REQUIRED.—The Agency shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

''(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any regulated entity for which the Agency has been appointed receiver; and

''(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

''(B) DETERMINATION PERIOD.—Before the end of the 90-day period beginning on the date on which any claim is filed in accordance with the procedures established under subparagraph (A), the Director shall—

''(i) determine—

''(I) whether to allow or disallow such claim; or

''(II) whether such claim should be determined pursuant to the procedures established under paragraph (5); and

''(ii) notify the claimant of the determination, and if the claim is disallowed, provide a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

''(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the date of appointment of the receiver, seeking a determination of the rights of the claimant with respect to such security interest after the earlier of—

''(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

''(ii) the date on which the Agency denies the claim.

''(D) STATUTE OF LIMITATIONS.—If an action described under subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed under subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

''(E) LEGAL EFFECT OF FILING.—

''(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

''(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (10), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action that was filed before the appointment of the receiver, subject to the determination of claims by the receiver.

''(9) PAYMENT OF CLAIMS.—

''(A) IN GENERAL.—The receiver may, in the discretion of the receiver, and to the extent that funds are available from the assets of the regulated entity, pay creditor claims, in such manner and amounts as are authorized under this section, which are—

''(i) allowed by the receiver;

''(ii) approved by the Agency pursuant to a final determination pursuant to paragraph (7) or (8); or

''(iii) determined by the final judgment of any court of competent jurisdiction.

''(B) AGREEMENTS AGAINST THE INTEREST OF THE AGENCY.—No agreement that tends to diminish or defeat the interest of the Agency in any asset acquired by the Agency as receiver under this section shall be valid against the Agency unless such agreement is in writing and executed by an authorized officer or representative of the regulated entity.

''(C) PAYMENT OF DIVIDENDS ON CLAIMS.—The receiver may, in the sole discretion of the receiver, pay from the assets of the regulated entity dividends on proved claims at any time, and no liability shall attach to the Agency by reason of any such payment, for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment.

''(D) RULEMAKING AUTHORITY OF THE DIRECTOR.—The Director may prescribe such rules, including definitions of terms, as the Director deems appropriate to establish a single uniform interest rate for, or to make payments of post-insolvency interest to creditors holding proven claims against the receivership estates of the regulated entity, following satisfaction by the receiver of the principal amount of all creditor claims.

''(10) SUSPENSION OF LEGAL ACTIONS.—

''(A) IN GENERAL.—After the appointment of a conservator or receiver for a regulated entity, the conservator or receiver may, in any judicial action or proceeding to which such regulated entity is or becomes a party, request a stay for a period not to exceed—

''(i) 45 days, in the case of any conservator; and

''(ii) 90 days, in the case of any receiver.

''(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by the conservator or receiver under subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action or proceeding, the court shall grant such stay as to all parties.

''(11) ADDITIONAL RIGHTS AND DUTIES.—

''(A) PRIOR FINAL ADJUDICATION.—The Agency shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Agency as conservator or receiver.

''(B) RIGHTS AND REMEDIES OF CONSERVATOR OR RECEIVER.—In the event of any appealable judgment, the Agency as conservator or receiver—

''(i) shall have all of the rights and remedies available to the regulated entity (before the appointment of such conservator or receiver) and the Agency, including removal to Federal court and all appellate rights; and

''(ii) shall not be required to post any bond in order to pursue such remedies.

''(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court upon assets in the possession of the receiver, or upon the charter, of a regulated entity for which the Agency has been appointed receiver.

''(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

''(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets or charter of any regulated entity for which the Agency has been appointed receiver; or

''(ii) any claim relating to any act or omission of such regulated entity or the Agency as receiver.

''(E) DISPOSITION OF ASSETS.—In exercising any right, power, privilege, or authority as conservator or receiver in connection with any sale or disposition of assets of a regulated entity for which the Agency has been appointed conservator or receiver, the Agency shall conduct its operations in a manner which—

''(i) maximizes the net present value return from the sale or disposition of such assets;

''(ii) minimizes the amount of any loss realized in the resolution of cases; and

''(iii) ensures adequate competition and fair and consistent treatment of offerors.

''(12) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR RECEIVER.—

''(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Agency as conservator or receiver shall be—

''(i) in the case of any contract claim, the longer of—

''(I) the 6-year period beginning on the date on which the claim accrues; or

''(II) the period applicable under State law; and

''(ii) in the case of any tort claim, the longer of—

''(I) the 3-year period beginning on the date on which the claim accrues; or

''(II) the period applicable under State law.

''(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitations begins to run on any claim described in such subparagraph shall be the later of—

''(i) the date of the appointment of the Agency as conservator or receiver; or

''(ii) the date on which the cause of action accrues.

''(13) REVIVAL OF EXPIRED STATE CAUSES OF ACTION.—

''(A) IN GENERAL.—In the case of any tort claim described under clause (ii) for which the statute of limitations applicable under State law with respect to such claim has expired not more than 5 years before the appointment of the Agency as conservator or receiver, the Agency may bring an action as conservator or receiver on such claim without regard to the expiration of the statute of limitations applicable under State law.

''(B) CLAIMS DESCRIBED.—A tort claim referred to under clause (i) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the regulated entity.

''(14) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

''(A) IN GENERAL.—The Agency as conservator or receiver shall, consistent with the accounting and reporting practices and procedures established by the Agency, maintain a full accounting of each conservatorship and receivership or other disposition of a regulated entity in default.

''(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or receivership, the Agency shall make an annual accounting or report available to the Board, the Comptroller General of the United States, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

''(C) AVAILABILITY OF REPORTS.—Any report prepared under subparagraph (B) shall be made available by the Agency upon request to any shareholder of a regulated entity or any member of the public.

''(D) RECORDKEEPING REQUIREMENT.—After the end of the 6-year period beginning on the date on which the conservatorship or receivership is terminated by the Director, the Agency may destroy any records of such regulated entity which the Agency, in the discretion of the Agency, determines to be unnecessary, unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.

''(15) FRAUDULENT TRANSFERS.—

''(A) IN GENERAL.—The Agency, as conservator or receiver, may avoid a transfer of any interest of an entity-affiliated party, or any person determined by the conservator or receiver to be a debtor of the regulated entity, in property, or any obligation incurred by such party or person, that was made within 5 years of the date on which the Agency was appointed conservator or receiver, if such party or person voluntarily or involuntarily made such transfer or incurred such liability with the intent to hinder, delay, or defraud the regulated entity, the Agency, the conservator, or receiver.

''(B) RIGHT OF RECOVERY.—To the extent a transfer is avoided under subparagraph (A), the conservator or receiver may recover, for the benefit of the regulated entity, the property transferred, or, if a court so orders, the value of such property (at the time of such transfer) from—

''(i) the initial transferee of such transfer or the entity-affiliated party or person for whose benefit such transfer was made; or

''(ii) any immediate or mediate transferee of any such initial transferee.

''(C) RIGHTS OF TRANSFEREE OR OBLIGEE.—The conservator or receiver may not recover under subparagraph (B) from—

''(i) any transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith; or

''(ii) any immediate or mediate good faith transferee of such transferee.

''(D) RIGHTS UNDER THIS PARAGRAPH.—The rights under this paragraph of the conservator or receiver described under subparagraph (A) shall be superior to any rights of a trustee or any other party (other than any party which is a Federal agency) under title 11, United States Code.

''(16) ATTACHMENT OF ASSETS AND OTHER INJUNCTIVE RELIEF.—Subject to paragraph (17), any court of competent jurisdiction may, at the request of the conservator or receiver, issue an order in accordance with rule 65 of the Federal Rules of Civil Procedure, including an order placing the assets of any person designated by the conservator or receiver under the control of the court, and appointing a trustee to hold such assets.

''(17) STANDARDS OF PROOF.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under paragraph (16) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.

''(18) TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE CONSERVATOR OR RECEIVER.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, any final and unappealable judgment for monetary damages entered against the conservator or receiver for the breach of an agreement executed or approved in writing by the conservator or receiver after the date of its appointment, shall be paid as an administrative expense of the conservator or receiver.

''(B) NO LIMITATION OF POWER.—Nothing in this paragraph shall be construed to limit the power of the conservator or receiver to exercise any rights under contract or law, including to terminate, breach, cancel, or otherwise discontinue such agreement.

''(19) GENERAL EXCEPTIONS.—

''(A) LIMITATIONS.—The rights of the conservator or receiver appointed under this section shall be subject to the limitations on the powers of a receiver under sections 402 through 407 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402 through 4407).

''(B) MORTGAGES HELD IN TRUST.—

''(i) IN GENERAL.—Any mortgage, pool of mortgages, or interest in a pool of mortgages held in trust, custodial, or agency capacity by a regulated entity for the benefit of any person other than the regulated entity shall not be available to satisfy the claims of creditors generally, except that nothing in this clause shall be construed to expand or otherwise affect the authority of any regulated entity.

''(ii) HOLDING OF MORTGAGES.—Any mortgage, pool of mortgages, or interest in a pool of mortgages described in clause (i) shall be held by the conservator or receiver appointed under this section for the beneficial owners of such mortgage, pool of mortgages, or interest in accordance with the terms of the agreement creating such trust, custodial, or other agency arrangement.

''(iii) LIABILITY OF CONSERVATOR OR RECEIVER.—The liability of the conservator or receiver appointed under this section for damages shall, in the case of any contingent or unliquidated claim relating to the mortgages held in trust, be estimated in accordance with the regulations of the Director.

''(c) PRIORITY OF EXPENSES AND UNSECURED CLAIMS.—

''(1) IN GENERAL.—Unsecured claims against a regulated entity, or the receiver therefor, that are proven to the satisfaction of the receiver shall have priority in the following order:

''(A) Administrative expenses of the receiver.

''(B) Any other general or senior liability of the regulated entity (which is not a liability described under subparagraph (C) or (D).

''(C) Any obligation subordinated to general creditors (which is not an obligation described under subparagraph (D)).

''(D) Any obligation to shareholders or members arising as a result of their status as shareholder or members.

''(2) CREDITORS SIMILARLY SITUATED.—All creditors that are similarly situated under paragraph (1) shall be treated in a similar manner, except that the receiver may take any action (including making payments) that does not comply with this subsection, if—

''(A) the Director determines that such action is necessary to maximize the value of the assets of the regulated entity, to maximize the present value return from the sale or other disposition of the assets of the regulated entity, or to minimize the amount of any loss realized upon the sale or other disposition of the assets of the regulated entity; and

''(B) all creditors that are similarly situated under paragraph (1) receive not less than the amount provided in subsection (e)(2).

''(3) DEFINITION.—As used in this subsection, the term 'administrative expenses of the receiver' includes—

''(A) the actual, necessary costs and expenses incurred by the receiver in preserving the assets of a failed regulated entity or liquidating or otherwise resolving the affairs of a failed regulated entity; and

''(B) any obligations that the receiver determines are necessary and appropriate to facilitate the smooth and orderly liquidation or other resolution of the regulated entity.

''(d) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

''(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or receiver may have, the conservator or receiver for any regulated entity may disaffirm or repudiate any contract or lease—

''(A) to which such regulated entity is a party;

''(B) the performance of which the conservator or receiver, in its sole discretion, determines to be burdensome; and

''(C) the disaffirmance or repudiation of which the conservator or receiver determines, in its sole discretion, will promote the orderly administration of the affairs of the regulated entity.

''(2) TIMING OF REPUDIATION.—The conservator or receiver shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.

''(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—

''(A) IN GENERAL.—Except as otherwise provided under subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or receiver for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

''(i) limited to actual direct compensatory damages; and

''(ii) determined as of—

''(I) the date of the appointment of the conservator or receiver; or

''(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

''(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term 'actual direct compensatory damages' shall not include—

''(i) punitive or exemplary damages;

''(ii) damages for lost profits or opportunity; or

''(iii) damages for pain and suffering.

''(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—

''(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

''(ii) paid in accordance with this subsection and subsection (e), except as otherwise specifically provided in this section.

''(4) LEASES UNDER WHICH THE REGULATED ENTITY IS THE LESSEE.—

''(A) IN GENERAL.—If the conservator or receiver disaffirms or repudiates a lease under which the regulated entity was the lessee, the conservator or receiver shall not be liable for any damages (other than damages determined under subparagraph (B)) for the disaffirmance or repudiation of such lease.

''(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which that subparagraph applies shall—

''(i) be entitled to the contractual rent accruing before the later of the date on which—

''(I) the notice of disaffirmance or repudiation is mailed; or

''(II) the disaffirmance or repudiation becomes effective, unless the lessor is in default or breach of the terms of the lease;

''(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

''(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment, which shall be paid in accordance with this subsection and subsection (e).

''(5) LEASES UNDER WHICH THE REGULATED ENTITY IS THE LESSOR.—

''(A) IN GENERAL.—If the conservator or receiver repudiates an unexpired written lease of real property of the regulated entity under which the regulated entity is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

''(i) treat the lease as terminated by such repudiation; or

''(ii) remain in possession of the leasehold interest for the balance of the term of the lease, unless the lessee defaults under the terms of the lease after the date of such repudiation.

''(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described under subparagraph (A) remains in possession of a leasehold interest under clause (ii) of subparagraph (A)—

''(i) the lessee—

''(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease; and

''(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, and any damages which accrue after such date due to the nonperformance of any obligation of the regulated entity under the lease after such date; and

''(ii) the conservator or receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II).

''(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

''(A) IN GENERAL.—If the conservator or receiver repudiates any contract for the sale of real property and the purchaser of such real property under such contract is in possession, and is not, as of the date of such repudiation, in default, such purchaser may either—

''(i) treat the contract as terminated by such repudiation; or

''(ii) remain in possession of such real property.

''(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described under subparagraph (A) remains in possession of such property under clause (ii) of subparagraph (A)—

''(i) the purchaser—

''(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

''(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the regulated entity under the contract; and

''(ii) the conservator or receiver shall—

''(I) not be liable to the purchaser for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II);

''(II) deliver title to the purchaser in accordance with the provisions of the contract; and

''(III) have no obligation under the contract other than the performance required under subclause (II).

''(C) ASSIGNMENT AND SALE ALLOWED.—

''(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or receiver to assign the contract described under subparagraph (A), and sell the property subject to the contract and the provisions of this paragraph.

''(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described under clause (i) is consummated, the conservator or receiver shall have no further liability under the contract described under subparagraph (A), or with respect to the real property which was the subject of such contract.

''(7) SERVICE CONTRACTS.—

''(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any regulated entity for which the Agency has been appointed conservator or receiver, any claim of such person for services performed before the appointment of the conservator or receiver shall be—

''(i) a claim to be paid in accordance with subsections (b) and (e); and

''(ii) deemed to have arisen as of the date on which the conservator or receiver was appointed.

''(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described under subparagraph (A), the conservator or receiver accepts performance by the other person before the conservator or receiver makes any determination to exercise the right of repudiation of such contract under this section—

''(i) the other party shall be paid under the terms of the contract for the services performed; and

''(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or receivership.

''(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by the conservator or receiver of services referred to under subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or receiver to repudiate such contract under this section at any time after such performance.

''(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

''(A) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraphs (9) and (10), and notwithstanding any other provision of this title (other than subsection (b)(9)(B) of this section), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

''(i) any right of that person to cause the termination, liquidation, or acceleration of any qualified financial contract with a regulated entity that arises upon the appointment of the Agency as receiver for such regulated entity at any time after such appointment;

''(ii) any right under any security agreement or arrangement or other credit enhancement relating to one or more qualified financial contracts; or

''(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

''(B) APPLICABILITY OF OTHER PROVISIONS.—Subsection (b)(10) shall apply in the case of any judicial action or proceeding brought against any receiver referred to under subparagraph (A), or the regulated entity for which such receiver was appointed, by any party to a contract or agreement described under subparagraph (A)(i) with such regulated entity.

''(C) CERTAIN TRANSFERS NOT AVOIDABLE.—

''(i) IN GENERAL.—Notwithstanding paragraph (11), or any other provision of Federal or State law relating to the avoidance of preferential or fraudulent transfers, the Agency, whether acting as such or as conservator or receiver of a regulated entity, may not avoid any transfer of money or other property in connection with any qualified financial contract with a regulated entity.

''(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with a regulated entity if the Agency determines that the transferee had actual intent to hinder, delay, or defraud such regulated entity, the creditors of such regulated entity, or any conservator or receiver appointed for such regulated entity.

''(D) CERTAIN CONTRACTS AND AGREEMENTS DEFINED.—In this subsection the following definitions shall apply:

''(i) QUALIFIED FINANCIAL CONTRACT.—The term 'qualified financial contract' means any securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Agency determines by regulation, resolution, or order to be a qualified financial contract for purposes of this paragraph.

''(ii) SECURITIES CONTRACT.—The term 'securities contract'—

''(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

''(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan, unless the Agency determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

''(III) means any option entered into on a national securities exchange relating to foreign currencies;

''(IV) means the guarantee by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

''(V) means any margin loan;

''(VI) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) means any combination of the agreements or transactions referred to in this clause;

''(VIII) means any option to enter into any agreement or transaction referred to in this clause;

''(IX) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII); and

''(X) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

''(iii) COMMODITY CONTRACT.—The term 'commodity contract' means—

''(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

''(II) with respect to a foreign futures commission merchant, a foreign future;

''(III) with respect to a leverage transaction merchant, a leverage transaction;

''(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

''(V) with respect to a commodity options dealer, a commodity option;

''(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) any combination of the agreements or transactions referred to in this clause;

''(VIII) any option to enter into any agreement or transaction referred to in this clause;

''(IX) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

''(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

''(iv) FORWARD CONTRACT.—The term 'forward contract' means—

''(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date on which the contract is entered into, including a repurchase transaction, reverse repurchase transaction, consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

''(II) any combination of agreements or transactions referred to in subclauses (I) and (III);

''(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

''(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I), (II), or (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

''(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

''(v) REPURCHASE AGREEMENT.—The term 'repurchase agreement' (including a reverse repurchase agreement)—

''(I) means an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage-related securities (as such term is defined in section 3 of the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities (defined for purposes of this clause as a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development, as determined by regulation or order adopted by the appropriate Federal banking authority), or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

''(II) does not include any repurchase obligation under a participation in a commercial mortgage loan, unless the Agency determines by regulation, resolution, or order to include any such participation within the meaning of such term;

''(III) means any combination of agreements or transactions referred to in subclauses (I) and (IV);

''(IV) means any option to enter into any agreement or transaction referred to in subclause (I) or (III);

''(V) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this clause, except that the master agreement shall be considered to be a repurchase agreement under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), or (IV); and

''(VI) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (III), (IV), or (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

''(vi) SWAP AGREEMENT.—The term 'swap agreement' means—

''(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option;

''(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

''(III) any combination of agreements or transactions referred to in this clause;

''(IV) any option to enter into any agreement or transaction referred to in this clause;

''(V) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

''(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in subclause (I), (II), (III), (IV), or (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

''(vii) TREATMENT OF MASTER AGREEMENT AS ONE AGREEMENT.—Any master agreement for any contract or agreement described in any preceding clause of this subparagraph (or any master agreement for such master agreement or agreements), together with all supplements to such master agreement, shall be treated as a single agreement and a single qualified financial contract. If a master agreement contains provisions relating to agreements or transactions that are not themselves qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.

''(viii) TRANSFER.—The term 'transfer' means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the equity of redemption of the regulated entity.

''(E) CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.—Notwithstanding any other provision of this section, any other Federal law, or the law of any State (other than paragraph (10) of this subsection and subsection (b)(9)(B)), no person shall be stayed or prohibited from exercising—

''(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a regulated entity in a conservatorship based upon a default under such financial contract which is enforceable under applicable noninsolvency law;

''(ii) any right under any security agreement or arrangement or other credit enhancement relating to 1 or more such qualified financial contracts; or

''(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.

''(F) CLARIFICATION.—No provision of law shall be construed as limiting the right or power of the Agency, or authorizing any court or agency to limit or delay in any manner, the right or power of the Agency to transfer any qualified financial contract in accordance with paragraphs (9) and (10), or to disaffirm or repudiate any such contract in accordance with subsection (d)(1).

''(G) WALKAWAY CLAUSES NOT EFFECTIVE.—

''(i) IN GENERAL.—Notwithstanding the provisions of subparagraphs (A) and (E), and sections 403 and 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, no walkaway clause shall be enforceable in a qualified financial contract of a regulated entity in default.

''(ii) WALKAWAY CLAUSE DEFINED.—For purposes of this subparagraph, the term 'walkaway clause' means a provision in a qualified financial contract that, after calculation of a value of a party's position or an amount due to or from 1 of the parties in accordance with its terms upon termination, liquidation, or acceleration of the qualified financial contract, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of the status of such party as a nondefaulting party.

''(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—In making any transfer of assets or liabilities of a regulated entity in default which includes any qualified financial contract, the conservator or receiver for such regulated entity shall either—

''(A) transfer to 1 person—

''(i) all qualified financial contracts between any person (or any affiliate of such person) and the regulated entity in default;

''(ii) all claims of such person (or any affiliate of such person) against such regulated entity under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such regulated entity);

''(iii) all claims of such regulated entity against such person (or any affiliate of such person) under any such contract; and

''(iv) all property securing, or any other credit enhancement for any contract described in clause (i), or any claim described in clause (ii) or (iii) under any such contract; or

''(B) transfer none of the financial contracts, claims, or property referred to under subparagraph (A) (with respect to such person and any affiliate of such person).

''(10) NOTIFICATION OF TRANSFER.—

''(A) IN GENERAL.—The conservator or receiver shall notify any person that is a party to a contract or transfer by 5:00 p.m. (Eastern Standard Time) on the business day following the date of the appointment of the receiver in the case of a receivership, or the business day following such transfer in the case of a conservatorship, if—

''(i) the conservator or receiver for a regulated entity in default makes any transfer of the assets and liabilities of such regulated entity; and

''(ii) such transfer includes any qualified financial contract.

''(B) CERTAIN RIGHTS NOT ENFORCEABLE.—

''(i) RECEIVERSHIP.—A person who is a party to a qualified financial contract with a regulated entity may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(A) of this subsection or under section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a receiver for the regulated entity (or the insolvency or financial condition of the regulated entity for which the receiver has been appointed)—

''(I) until 5:00 p.m. (Eastern Standard Time) on the business day following the date of the appointment of the receiver; or

''(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(A).

''(ii) CONSERVATORSHIP.—A person who is a party to a qualified financial contract with a regulated entity may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(E) of this subsection or under section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a conservator for the regulated entity (or the insolvency or financial condition of the regulated entity for which the conservator has been appointed).

''(iii) NOTICE.—For purposes of this paragraph, the conservator or receiver of a regulated entity shall be deemed to have notified a person who is a party to a qualified financial contract with such regulated entity, if the conservator or receiver has taken steps reasonably calculated to provide notice to such person by the time specified in subparagraph (A).

''(C) BUSINESS DAY DEFINED.—For purposes of this paragraph, the term 'business day' means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

''(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which a regulated entity is a party, the conservator or receiver for such institution shall either—

''(A) disaffirm or repudiate all qualified financial contracts between—

''(i) any person or any affiliate of such person; and

''(ii) the regulated entity in default; or

''(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).

''(12) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any regulated entity, except where such an interest is taken in contemplation of the insolvency of the regulated entity, or with the intent to hinder, delay, or defraud the regulated entity or the creditors of such regulated entity.

''(13) AUTHORITY TO ENFORCE CONTRACTS.—

''(A) IN GENERAL.—Notwithstanding any provision of a contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of, or the exercise of rights or powers by, a conservator or receiver, the conservator or receiver may enforce any contract, other than a contract for liability insurance for a director or officer, or a contract or a regulated entity bond, entered into by the regulated entity.

''(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or receiver to enforce or recover under a liability insurance contract for an officer or director, or regulated entity bond under other applicable law.

''(C) CONSENT REQUIREMENT.—

''(i) IN GENERAL.—Except as otherwise provided under this section, no person may exercise any right or power to terminate, accelerate, or declare a default under any contract to which a regulated entity is a party, or to obtain possession of or exercise control over any property of the regulated entity, or affect any contractual rights of the regulated entity, without the consent of the conservator or receiver, as appropriate, for a period of—

''(I) 45 days after the date of appointment of a conservator; or

''(II) 90 days after the date of appointment of a receiver.

''(ii) EXCEPTIONS.—This subparagraph shall not—

''(I) apply to a contract for liability insurance for an officer or director;

''(II) apply to the rights of parties to certain qualified financial contracts under subsection (d)(8); and

''(III) be construed as permitting the conservator or receiver to fail to comply with otherwise enforceable provisions of such contracts.

''(14) SAVINGS CLAUSE.—The meanings of terms used in this subsection are applicable for purposes of this subsection only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of

2000, the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.

''(15) EXCEPTION FOR FEDERAL RESERVE AND FEDERAL HOME LOAN BANKS.—No provision of this subsection shall apply with respect to—

''(A) any extension of credit from any Federal Home Loan Bank or Federal Reserve Bank to any regulated entity; or

''(B) any security interest in the assets of the regulated entity securing any such extension of credit.

''(e) VALUATION OF CLAIMS IN DEFAULT.—

''(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State, and regardless of the method which the Agency determines to utilize with respect to a regulated entity in default or in danger of default, including transactions authorized under subsection (i), this subsection shall govern the rights of the creditors of such regulated entity.

''(2) MAXIMUM LIABILITY.—The maximum liability of the Agency, acting as receiver or in any other capacity, to any person having a claim against the receiver or the regulated entity for which such receiver is appointed shall be not more than the amount that such claimant would have received if the Agency had liquidated the assets and liabilities of the regulated entity without exercising the authority of the Agency under subsection (i).

''(f) LIMITATION ON COURT ACTION.—Except as provided in this section or at the request of the Director, no court may take any action to restrain or affect the exercise of powers or functions of the Agency as a conservator or a receiver.

''(g) LIABILITY OF DIRECTORS AND OFFICERS.—

''(1) IN GENERAL.—A director or officer of a regulated entity may be held personally liable for monetary damages in any civil action described in paragraph (2) brought by, on behalf of, or at the request or direction of the Agency, and prosecuted wholly or partially for the benefit of the Agency—

''(A) acting as conservator or receiver of such regulated entity; or

''(B) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by such receiver or conservator.

''(2) ACTIONS ADDRESSED.—Paragraph (1) applies in any civil action for gross negligence, including any similar conduct or conduct that demonstrates a greater disregard of a duty of care than gross negligence, including intentional tortious conduct, as such terms are defined and determined under applicable State law.

''(3) NO LIMITATION.—Nothing in this subsection shall impair or affect any right of the Agency under other applicable law.

''(h) DAMAGES.—In any proceeding related to any claim against a director, officer, employee, agent, attorney, accountant, appraiser, or any other party employed by or providing services to a regulated entity, recoverable damages determined to result from the improvident or otherwise improper use or investment of any assets of the regulated entity shall include principal losses and appropriate interest.

''(i) LIMITED-LIFE REGULATED ENTITIES.—

''(1) ORGANIZATION.—

''(A) PURPOSE.—The Agency, as receiver appointed pursuant to subsection (a)—

''(i) may, in the case of a Federal Home Loan Bank, organize a limited-life regulated entity with those powers and attributes of the Federal Home Loan Bank in default or in danger of default as the Director determines necessary, subject to the provisions of this subsection, and the Director shall grant a temporary charter to that limited-life regulated entity, and that limited-life regulated entity shall operate subject to that charter; and

''(ii) shall, in the case of an enterprise, organize a limited-life regulated entity with respect to that enterprise in accordance with this subsection.

''(B) AUTHORITIES.—Upon the creation of a limited-life regulated entity under subparagraph (A), the limited-life regulated entity may—

''(i) assume such liabilities of the regulated entity that is in default or in danger of default as the Agency may, in its discretion, determine to be appropriate, except that the liabilities assumed shall not exceed the amount of assets purchased or transferred from the regulated entity to the limited-life regulated entity;

''(ii) purchase such assets of the regulated entity that is in default, or in danger of default as the Agency may, in its discretion, determine to be appropriate; and

''(iii) perform any other temporary function which the Agency may, in its discretion, prescribe in accordance with this section.

''(2) CHARTER AND ESTABLISHMENT.—

''(A) TRANSFER OF CHARTER.—

''(i) FANNIE MAE.—If the Agency is appointed as receiver for the Federal National Mortgage Association, the limited-life regulated entity established under this subsection with respect to such enterprise shall, by operation of law and immediately upon its organization—

''(I) succeed to the charter of the Federal National Mortgage Association, as set forth in the Federal National Mortgage Association Charter Act; and

''(II) thereafter operate in accordance with, and subject to, such charter, this Act, and any other provision of law to which the Federal National Mortgage Association is subject, except as otherwise provided in this subsection.

''(ii) FREDDIE MAC.—If the Agency is appointed as receiver for the Federal Home Loan Mortgage Corporation, the limited-life regulated entity established under this subsection with respect to such enterprise shall, by operation of law and immediately upon its organization—

''(I) succeed to the charter of the Federal Home Loan Mortgage Corporation, as set forth in the Federal Home Loan Mortgage Corporation Charter Act; and

''(II) thereafter operate in accordance with, and subject to, such charter, this Act, and any other provision of law to which the Federal Home Loan Mortgage Corporation is subject, except as otherwise provided in this subsection.

''(B) INTERESTS IN AND ASSETS AND OBLIGATIONS OF REGULATED ENTITY IN DEFAULT.—Notwithstanding subparagraph (A) or any other provision of law—

''(i) a limited-life regulated entity shall assume, acquire, or succeed to the assets or liabilities of a regulated entity only to the extent that such assets or liabilities are transferred by the Agency to the limited-life regulated entity in accordance with, and subject to the restrictions set forth in, paragraph (1)(B);

''(ii) a limited-life regulated entity shall not assume, acquire, or succeed to any obligation that a regulated entity for which a receiver has been appointed may have to any shareholder of the regulated entity that arises as a result of the status of that person as a shareholder of the regulated entity; and

''(iii) no shareholder or creditor of a regulated entity shall have any right or claim against the charter of the regulated entity once the Agency has been appointed receiver for the regulated entity and a limited-life regulated entity succeeds to the charter pursuant to subparagraph (A).

''(C) LIMITED-LIFE REGULATED ENTITY TREATED AS BEING IN DEFAULT FOR CERTAIN PURPOSES.—A limited-life regulated entity shall be treated as a regulated entity in default at such times and for such purposes as the Agency may, in its discretion, determine.

''(D) MANAGEMENT.—Upon its establishment, a limited-life regulated entity shall be under the management of a board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Agency.

''(E) BYLAWS.—The board of directors of a limited-life regulated entity shall adopt such bylaws as may be approved by the Agency.

''(3) CAPITAL STOCK.—

''(A) NO AGENCY REQUIREMENT.—The Agency is not required to pay capital stock into a limited-life regulated entity or to issue any capital stock on behalf of a limited-life regulated entity established under this subsection.

''(B) AUTHORITY.—If the Director determines that such action is advisable, the Agency may cause capital stock or other securities of a limited-life regulated entity established with respect to an enterprise to be issued and offered for sale, in such amounts and on such terms and conditions as the Director may determine, in the discretion of the Director.

''(4) INVESTMENTS.—Funds of a limited-life regulated entity shall be kept on hand in cash, invested in obligations of the United States or obligations guaranteed as to principal and interest by the United States, or deposited with the Agency, or any Federal reserve bank.

''(5) EXEMPT TAX STATUS.—Notwithstanding any other provision of Federal or State law, a limited-life regulated entity, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

''(6) WINDING UP.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), not later than 2 years after the date of its organization, the Agency shall wind up the affairs of a limited-life regulated entity.

''(B) EXTENSION.—The Director may, in the discretion of the Director, extend the status of a limited-life regulated entity for 3 additional 1-year periods.

''(C) TERMINATION OF STATUS AS LIMITED-LIFE REGULATED ENTITY.—

''(i) IN GENERAL.—Upon the sale by the Agency of 80 percent or more of the capital stock of a limited-life regulated entity, as defined in clause (iv), to 1 or more persons (other than the Agency)—

''(I) the status of the limited-life regulated entity as such shall terminate; and

''(II) the entity shall cease to be a limited-life regulated entity for purposes of this subsection.

''(ii) DIVESTITURE OF REMAINING STOCK, IF ANY.—

''(I) IN GENERAL.—Not later than 1 year after the date on which the status of a limited-life regulated entity is terminated pursuant to clause (i), the Agency shall sell to 1 or more persons (other than the Agency) any remaining capital stock of the former limited-life regulated entity.

''(II) EXTENSION AUTHORIZED.—The Director may extend the period referred to in subclause (I) for not longer than an additional 2 years, if the Director determines that such action would be in the public interest.

''(iii) SAVINGS CLAUSE.—Notwithstanding any provision of law, other than clause (ii), the Agency shall not be required to sell the capital stock of an enterprise or a limited-

life regulated entity established with respect to an enterprise.

''(iv) APPLICABILITY.—This subparagraph applies only with respect to a limited-life regulated entity that is established with respect to an enterprise.

''(7) TRANSFER OF ASSETS AND LIABILITIES.—

''(A) IN GENERAL.—

''(i) TRANSFER OF ASSETS AND LIABILITIES.—The Agency, as receiver, may transfer any assets and liabilities of a regulated entity in default, or in danger of default, to the limited-life regulated entity in accordance with and subject to the restrictions of paragraph (1).

''(ii) SUBSEQUENT TRANSFERS.—At any time after the establishment of a limited-life regulated entity, the Agency, as receiver, may transfer any assets and liabilities of the regulated entity in default, or in danger of default, as the Agency may, in its discretion, determine to be appropriate in accordance with and subject to the restrictions of paragraph (1).

''(iii) EFFECTIVE WITHOUT APPROVAL.—The transfer of any assets or liabilities of a regulated entity in default or in danger of default to a limited-life regulated entity shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

''(iv) EQUITABLE TREATMENT OF SIMILARLY SITUATED CREDITORS.—The Agency shall treat all creditors of a regulated entity in default or in danger of default that are similarly situated under subsection (c)(1) in a similar manner in exercising the authority of the Agency under this subsection to transfer any assets or liabilities of the regulated entity to the limited-life regulated entity established with respect to such regulated entity, except that the Agency may take actions (including making payments) that do not comply with this clause, if—

''(I) the Director determines that such actions are necessary to maximize the value of the assets of the regulated entity, to maximize the present value return from the sale or other disposition of the assets of the regulated entity, or to minimize the amount of any loss realized upon the sale or other disposition of the assets of the regulated entity; and

''(II) all creditors that are similarly situated under subsection (c)(1) receive not less than the amount provided in subsection (e)(2).

''(v) LIMITATION ON TRANSFER OF LIABILITIES.—Notwithstanding any other provision of law, the aggregate amount of liabilities of a regulated entity that are transferred to, or assumed by, a limited-life regulated entity may not exceed the aggregate amount of assets of the regulated entity that are transferred to, or purchased by, the limited-life regulated entity.

''(8) REGULATIONS.—The Agency may promulgate such regulations as the Agency determines to be necessary or appropriate to implement this subsection.

''(9) POWERS OF LIMITED-LIFE REGULATED ENTITIES.—

''(A) IN GENERAL.—Each limited-life regulated entity created under this subsection shall have all corporate powers of, and be subject to the same provisions of law as, the regulated entity in default or in danger of default to which it relates, except that—

''(i) the Agency may—

''(I) remove the directors of a limited-life regulated entity;

''(II) fix the compensation of members of the board of directors and senior management, as determined by the Agency in its discretion, of a limited-life regulated entity; and

''(III) indemnify the representatives for purposes of paragraph (1)(B), and the directors, officers, employees, and agents of a limited-life regulated entity on such terms as the Agency determines to be appropriate; and

''(ii) the board of directors of a limited-life regulated entity—

''(I) shall elect a chairperson who may also serve in the position of chief executive officer, except that such person shall not serve either as chairperson or as chief executive officer without the prior approval of the Agency; and

''(II) may appoint a chief executive officer who is not also the chairperson, except that such person shall not serve as chief executive officer without the prior approval of the Agency.

''(B) STAY OF JUDICIAL ACTION.—Any judicial action to which a limited-life regulated entity becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a regulated entity in default shall be stayed from further proceedings for a period of not longer than 45 days, at the request of the limited-life regulated entity. Such period may be modified upon the consent of all parties.

''(10) NO FEDERAL STATUS.—

''(A) AGENCY STATUS.—A limited-life regulated entity is not an agency, establishment, or instrumentality of the United States.

''(B) EMPLOYEE STATUS.—Representatives for purposes of paragraph (1)(B), interim directors, directors, officers, employees, or agents of a limited-life regulated entity are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Agency or of any Federal instrumentality who serves at the request of the Agency as a representative for purposes of paragraph (1)(B), interim director, director, officer, employee, or agent of a limited-life regulated entity shall not—

''(i) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of title 5, United States Code, or any other provision of law; or

''(ii) receive any salary or benefits for service in any such capacity with respect to a limited-life regulated entity in addition to such salary or benefits as are obtained through employment with the Agency or such Federal instrumentality.

''(11) AUTHORITY TO OBTAIN CREDIT.—

''(A) IN GENERAL.—A limited-life regulated entity may obtain unsecured credit and issue unsecured debt.

''(B) INABILITY TO OBTAIN CREDIT.—If a limited-life regulated entity is unable to obtain unsecured credit or issue unsecured debt, the Director may authorize the obtaining of credit or the issuance of debt by the limited-life regulated entity—

''(i) with priority over any or all of the obligations of the limited-life regulated entity;

''(ii) secured by a lien on property of the limited-life regulated entity that is not otherwise subject to a lien; or

''(iii) secured by a junior lien on property of the limited-life regulated entity that is subject to a lien.

''(C) LIMITATIONS.—

''(i) IN GENERAL.—The Director, after notice and a hearing, may authorize the obtaining of credit or the issuance of debt by a limited-life regulated entity that is secured by a senior or equal lien on property of the limited-life regulated entity that is subject to a lien (other than mortgages that collateralize the mortgage-backed securities issued or guaranteed by an enterprise) only if—

''(I) the limited-life regulated entity is unable to otherwise obtain such credit or issue such debt; and

''(II) there is adequate protection of the interest of the holder of the lien on the property with respect to which such senior or equal lien is proposed to be granted.

''(D) BURDEN OF PROOF.—In any hearing under this subsection, the Director has the burden of proof on the issue of adequate protection.

''(12) AFFECT ON DEBTS AND LIENS.—The reversal or modification on appeal of an authorization under this subsection to obtain credit or issue debt, or of a grant under this section of a priority or a lien, does not affect the validity of any debt so issued, or any priority or lien so granted, to an entity that extended such credit in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and the issuance of such debt, or the granting of such priority or lien, were stayed pending appeal.

''(j) OTHER AGENCY EXEMPTIONS.—

''(1) APPLICABILITY.—The provisions of this subsection shall apply with respect to the Agency in any case in which the Agency is acting as a conservator or a receiver.

''(2) TAXATION.—The Agency, including its franchise, its capital, reserves, and surplus, and its income, shall be exempt from all taxation imposed by any State, county, municipality, or local taxing authority, except that any real property of the Agency shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed, except that, notwithstanding the failure of any person to challenge an assessment under State law of the value of such property, and the tax thereon, shall be determined as of the period for which such tax is imposed.

''(3) PROPERTY PROTECTION.—No property of the Agency shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Agency, nor shall any involuntary lien attach to the property of the Agency.

''(4) PENALTIES AND FINES.—The Agency shall not be liable for any amounts in the nature of penalties or fines, including those arising from the failure of any person to pay any real property, personal property, probate, or recording tax or any recording or filing fees when due.

''(k) PROHIBITION OF CHARTER REVOCATION.—In no case may the receiver appointed pursuant to this section revoke, annul, or terminate the charter of an enterprise.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended—

(1) in section 1368 (12 U.S.C. 4618)—

(A) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity''; and

(B) by striking ''the enterprise'' each place that term appears and inserting ''the regulated entity'';

(2) in section 1369C (12 U.S.C. 4622), by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(3) in section 1369D (12 U.S.C. 4623)—

(A) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity''; and

(B) in subsection (a)(1), by striking ''An enterprise'' and inserting ''A regulated entity''; and

(4) by striking sections 1369, 1369A, and 1369B (12 U.S.C. 4619, 4620, and 4621).

Subtitle D—Enforcement Actions

SEC. 1151. CEASE AND DESIST PROCEEDINGS.

Section 1371 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4631) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) ISSUANCE FOR UNSAFE OR UNSOUND PRACTICES AND VIOLATIONS.—

''(1) AUTHORITY OF DIRECTOR.—If, in the opinion of the Director, a regulated entity or any entity-affiliated party is engaging or has engaged, or the Director has reasonable cause to believe that the regulated entity or any entity-affiliated party is about to engage, in an unsafe or unsound practice in conducting the business of the regulated entity or the Office of Finance, or is violating or has violated, or the Director has reasonable cause to believe is about to violate, a law, rule, regulation, or order, or any condition imposed in writing by the Director in connection with the granting of any application or other request by the regulated entity or the Office of Finance or any written agreement entered into with the Director, the Director may issue and serve upon the regulated entity or entity-affiliated party a notice of charges in respect thereof.

''(2) LIMITATION.—The Director may not, pursuant to this section, enforce compliance with any housing goal established under subpart B of part 2 of subtitle A of this title, with section 1336 or 1337 of this title, with subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(m), (n)), with subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456(e), (f)), or with paragraph (5) of section 10(j) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)).

''(b) ISSUANCE FOR UNSATISFACTORY RATING.—If a regulated entity receives, in its most recent report of examination, a less-than-satisfactory rating for asset quality, management, earnings, or liquidity, the Director may (if the deficiency is not corrected) deem the regulated entity to be engaging in an unsafe or unsound practice for purposes of subsection (a).'';

(2) in subsection (c)—

(A) in paragraph (1), by inserting before the period at the end the following: '', unless the party served with a notice of charges shall appear at the hearing personally or by a duly authorized representative, the party shall be deemed to have consented to the issuance of the cease and desist order''; and

(B) in paragraph (2)—

(i) by striking ''or director'' and inserting ''director, or entity-affiliated party''; and

(ii) by inserting ''or entity-affiliated party'' before ''consents'';

(3) in each of subsections (c), (d), and (e)—

(A) by striking ''the enterprise'' each place that term appears and inserting ''the regulated entity'';

(B) by striking ''an enterprise'' each place that term appears and inserting ''a regulated entity''; and

(C) by striking ''conduct'' each place that term appears and inserting ''practice'';

(4) in subsection (d)—

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

(i) by striking ''or director'' and inserting ''director, or entity-affiliated party''; and

(ii) by inserting ''to require a regulated entity or entity-affiliated party'' after ''includes the authority'';

(B) in paragraph (1)—

(i) by striking ''to require an executive officer or a director to''; and

(ii) by striking ''loss'' and all that follows through ''person'' and inserting ''loss, if'';

(iii) in subparagraph (A), by inserting ''such entity or party or finance facility'' before ''was''; and

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

''(B) the violation or practice involved a reckless disregard for the law or any applicable regulations or prior order of the Director;''; and

(C) in paragraph (4), by inserting ''loan or'' before ''asset'';

(5) in subsection (e), by inserting ''or entity-affiliated party''—

(A) before ''or any executive''; and

(B) before the period at the end; and

(6) in subsection (f)—

(A) by striking ''enterprise'' and inserting ''regulated entity, finance facility,''; and

(B) by striking ''or director'' and inserting ''director, or entity-affiliated party''.

SEC. 1152. TEMPORARY CEASE AND DESIST PROCEEDINGS.

Section 1372 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4632) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) GROUNDS FOR ISSUANCE.—

''(1) IN GENERAL.—If the Director determines that the actions specified in the notice of charges served upon a regulated entity or any entity-affiliated party pursuant to section 1371(a), or the continuation thereof, is likely to cause insolvency or significant dissipation of assets or earnings of that entity, or is likely to weaken the condition of that entity prior to the completion of the proceedings conducted pursuant to sections 1371 and 1373, the Director may—

''(A) issue a temporary order requiring that regulated entity or entity-affiliated party to cease and desist from any such violation or practice; and

''(B) require that regulated entity or entity-affiliated party to take affirmative action to prevent or remedy such insolvency, dissipation, condition, or prejudice pending completion of such proceedings.

''(2) ADDITIONAL REQUIREMENTS.—An order issued under paragraph (1) may include any requirement authorized under subsection 1371(d).'';

(2) in subsection (b)—

(A) by striking ''or director'' and inserting ''director, or entity-affiliated party''; and

(B) by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(3) in subsection (c), by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(4) in subsection (d)—

(A) by striking ''or director'' each place that term appears and inserting ''director, or entity-affiliated party''; and

(B) by striking ''An enterprise'' and inserting ''A regulated entity''; and

(5) in subsection (e)—

(A) by striking ''request the Attorney General of the United States to''; and

(B) by striking ''or may, under the direction and control of the Attorney General, bring such action''.

SEC. 1153. REMOVAL AND PROHIBITION AUTHORITY.

(a) IN GENERAL.—Part 1 of subtitle C of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4631 et seq.) is amended—

(1) by redesignating sections 1377 through 1379B (12 U.S.C. 4637–4641) as sections 1379 through 1379D, respectively; and

(2) by inserting after section 1376 (12 U.S.C. 4636) the following:

''SEC. 1377. REMOVAL AND PROHIBITION AUTHORITY.

''(a) AUTHORITY TO ISSUE ORDER.—

''(1) IN GENERAL.—The Director may serve upon a party described in paragraph (2), or any officer, director, or management of the Office of Finance a written notice of the intention of the Director to suspend or remove such party from office, or prohibit any further participation by such party, in any manner, in the conduct of the affairs of the regulated entity.

''(2) APPLICABILITY.—A party described in this paragraph is an entity-affiliated party or any officer, director, or management of the Office of Finance, if the Director determines that—

''(A) that party, officer, or director has, directly or indirectly—

''(i) violated—

''(I) any law or regulation;

''(II) any cease and desist order which has become final;

''(III) any condition imposed in writing by the Director in connection with the grant of any application or other request by such regulated entity; or

''(IV) any written agreement between such regulated entity and the Director;

''(ii) engaged or participated in any unsafe or unsound practice in connection with any regulated entity or business institution; or

''(iii) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty;

''(B) by reason of the violation, practice, or breach described in subparagraph (A)—

''(i) such regulated entity or business institution has suffered or will probably suffer financial loss or other damage; or

''(ii) such party has received financial gain or other benefit; and

''(C) the violation, practice, or breach described in subparagraph (A)—

''(i) involves personal dishonesty on the part of such party; or

''(ii) demonstrates willful or continuing disregard by such party for the safety or soundness of such regulated entity or business institution.

''(b) SUSPENSION ORDER.—

''(1) SUSPENSION OR PROHIBITION AUTHORITY.—If the Director serves written notice under subsection (a) upon a party subject to that subsection (a), the Director may, by order, suspend or remove such party from office, or prohibit such party from further participation in any manner in the conduct of the affairs of the regulated entity, if the Director—

''(A) determines that such action is necessary for the protection of the regulated entity; and

''(B) serves such party with written notice of the order.

''(2) EFFECTIVE PERIOD.—Any order issued under this subsection—

''(A) shall become effective upon service; and

''(B) unless a court issues a stay of such order under subsection (g), shall remain in effect and enforceable until—

''(i) the date on which the Director dismisses the charges contained in the notice served under subsection (a) with respect to such party; or

''(ii) the effective date of an order issued under subsection (b).

''(3) COPY OF ORDER.—If the Director issues an order under subsection (b) to any party, the Director shall serve a copy of such order on any regulated entity with which such party is affiliated at the time such order is issued.

''(c) NOTICE, HEARING, AND ORDER.—

''(1) NOTICE.—A notice under subsection (a) of the intention of the Director to issue an order under this section shall contain a statement of the facts constituting grounds for such action, and shall fix a time and place at which a hearing will be held on such action.

''(2) TIMING OF HEARING.—A hearing shall be fixed for a date not earlier than 30 days, nor later than 60 days, after the date of service of notice under subsection (a), unless an earlier or a later date is set by the Director at the request of—

''(A) the party receiving such notice, and good cause is shown; or

''(B) the Attorney General of the United States.

''(3) CONSENT.—Unless the party that is the subject of a notice delivered under subsection (a) appears at the hearing in person or by a duly authorized representative, such party shall be deemed to have consented to the issuance of an order under this section.

''(4) ISSUANCE OF ORDER OF SUSPENSION.—The Director may issue an order under this section, as the Director may deem appropriate, if—

''(A) a party is deemed to have consented to the issuance of an order under paragraph (3); or

''(B) upon the record made at the hearing, the Director finds that any of the grounds specified in the notice have been established.

''(5) EFFECTIVENESS OF ORDER.—Any order issued under paragraph (4) shall become effective at the expiration of 30 days after the date of service upon the relevant regulated entity and party (except in the case of an order issued upon consent under paragraph (3), which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Director or a reviewing court.

''(d) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Any person subject to an order issued under this section shall not—

''(1) participate in any manner in the conduct of the affairs of any regulated entity or the Office of Finance;

''(2) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any regulated entity;

''(3) violate any voting agreement previously approved by the Director; or

''(4) vote for a director, or serve or act as an entity-affiliated party of a regulated entity or as an officer or director of the Office of Finance.

''(e) INDUSTRY-WIDE PROHIBITION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any person who, pursuant to an order issued under this section, has been removed or suspended from office in a regulated entity or the Office of Finance, or prohibited from participating in the conduct of the affairs of a regulated entity or the Office of Finance, may not, while such order is in effect, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of, any regulated entity or the Office of Finance.

''(2) EXCEPTION IF DIRECTOR PROVIDES WRITTEN CONSENT.—If, on or after the date on which an order is issued under this section which removes or suspends from office any party, or prohibits such party from participating in the conduct of the affairs of a regulated entity or the Office of Finance, such party receives the written consent of the Director, the order shall, to the extent of such consent, cease to apply to such party with respect to the regulated entity or such Office of Finance described in the written consent. Any such consent shall be publicly disclosed.

''(3) VIOLATION OF PARAGRAPH (1) TREATED AS VIOLATION OF ORDER.—Any violation of paragraph (1) by any person who is subject to an order issued under subsection (h) shall be treated as a violation of the order.

''(f) APPLICABILITY.—This section shall only apply to a person who is an individual, unless the Director specifically finds that it should apply to a corporation, firm, or other business entity.

''(g) STAY OF SUSPENSION AND PROHIBITION OF ENTITY-AFFILIATED PARTY.—Not later than 10 days after the date on which any entity-affiliated party has been suspended from office or prohibited from participation in the conduct of the affairs of a regulated entity under this section, such party may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district in which the headquarters of the regulated entity is located, for a stay of such suspension or prohibition pending the completion of the administrative proceedings pursuant to subsection (c). The court shall have jurisdiction to stay such suspension or prohibition.

''(h) SUSPENSION OR REMOVAL OF ENTITY-AFFILIATED PARTY CHARGED WITH FELONY.—

''(1) SUSPENSION OR PROHIBITION.—

''(A) IN GENERAL.—Whenever any entity-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding 1 year under Federal or State law, the Director may, if continued service or participation by such party may pose a threat to the regulated entity or impair public confidence in the regulated entity, by written notice served upon such party, suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of any regulated entity.

''(B) PROVISIONS APPLICABLE TO NOTICE.—

''(i) COPY.—A copy of any notice under subparagraph (A) shall be served upon the relevant regulated entity.

''(ii) EFFECTIVE PERIOD.—A suspension or prohibition under subparagraph (A) shall remain in effect until the information, indictment, or complaint referred to in subparagraph (A) is finally disposed of, or until terminated by the Director.

''(2) REMOVAL OR PROHIBITION.—

''(A) IN GENERAL.—If a judgment of conviction or an agreement to enter a pretrial diversion or other similar program is entered against an entity-affiliated party in connection with a crime described in paragraph (1)(A), at such time as such judgment is not subject to further appellate review, the Director may, if continued service or participation by such party may pose a threat to the regulated entity or impair public confidence in the regulated entity, issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the regulated entity without the prior written consent of the Director.

''(B) PROVISIONS APPLICABLE TO ORDER.—

''(i) COPY.—A copy of any order under subparagraph (A) shall be served upon the relevant regulated entity, at which time the entity-affiliated party who is subject to the order (if a director or an officer) shall cease to be a director or officer of such regulated entity.

''(ii) EFFECT OF ACQUITTAL.—A finding of not guilty or other disposition of the charge shall not preclude the Director from instituting proceedings after such finding or disposition to remove a party from office or to prohibit further participation in the affairs of a regulated entity pursuant to subsection (a) or (b).

''(iii) EFFECTIVE PERIOD.—Unless terminated by the Director, any notice of suspension or order of removal issued under this subsection shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (4).

''(3) AUTHORITY OF REMAINING BOARD MEMBERS.—

''(A) IN GENERAL.—If at any time, because of the suspension of 1 or more directors pursuant to this section, there shall be on the board of directors of a regulated entity less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors.

''(B) APPOINTMENT OF TEMPORARY DIRECTORS.—If all of the directors of a regulated entity are suspended pursuant to this section, the Director shall appoint persons to serve temporarily as directors pending the termination of such suspensions, or until such time as those who have been suspended cease to be directors of the regulated entity and their respective successors take office.

''(4) HEARING REGARDING CONTINUED PARTICIPATION.—

''(A) IN GENERAL.—Not later than 30 days after the date of service of any notice of suspension or order of removal issued pursuant to paragraph (1) or (2), the entity-affiliated party may request in writing an opportunity to appear before the Director to show that the continued service or participation in the conduct of the affairs of the regulated entity by such party does not, or is not likely to, pose a threat to the interests of the regulated entity, or threaten to impair public confidence in the regulated entity.

''(B) TIMING AND FORM OF HEARING.—Upon receipt of a request for a hearing under subparagraph (A), the Director shall fix a time (not later than 30 days after the date of receipt of such request, unless extended at the request of such party) and place at which the entity-affiliated party may appear, personally or through counsel, before the Director or 1 or more designated employees of the Director to submit written materials (or, at the discretion of the Director, oral testimony) and oral argument.

''(C) DETERMINATION.—Not later than 60 days after the date of a hearing under subparagraph (B), the Director shall notify the entity-affiliated party whether the suspension or prohibition from participation in any manner in the conduct of the affairs of the regulated entity will be continued, terminated, or otherwise modified, or whether the order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the regulated entity will be rescinded or otherwise modified. Such notification shall contain a statement of the basis for any adverse decision of the Director.

''(5) RULES.—The Director is authorized to prescribe such rules as may be necessary to carry out this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) SAFETY AND SOUNDNESS ACT.—Subtitle C of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended—

(A) in section 1317(f), by striking ''section 1379B'' and inserting ''section 1379D'';

(B) in section 1373(a)—

(i) in paragraph (1), by striking ''or 1376(c)'' and inserting '', 1376(c), or 1377'';

(ii) in paragraph (2), by inserting ''or 1377'' after''1371''; and

(iii) in paragraph (4), by inserting ''or removal or prohibition'' after ''cease and desist''; and

(C) in section 1374(a)—

(i) by striking ''or 1376'' and inserting ''1313B , 1376, or 1377''; and

(ii) by striking ''such section'' and inserting ''this title''.

(2) FANNIE MAE CHARTER ACT.—Section 308(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended in the second sentence, by striking ''The'' and inserting ''Except to the extent that action under section 1377 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 temporarily results in a lesser number, the''.

(3) FREDDIE MAC CHARTER ACT.—Section 303(a)(2)(A) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2)(A))

is amended, in the second sentence, by striking ''The'' and inserting ''Except to the extent action under section 1377 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 temporarily results in a lesser number, the''.

SEC. 1154. ENFORCEMENT AND JURISDICTION.

Section 1375 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4635) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) ENFORCEMENT.—The Director may, in the discretion of the Director, apply to the United States District Court for the District of Columbia, or the United States district court within the jurisdiction of which the headquarters of the regulated entity is located, for the enforcement of any effective and outstanding notice or order issued under this subtitle or subtitle B, or request that the Attorney General of the United States bring such an action. Such court shall have jurisdiction and power to order and require compliance with such notice or order.''; and

(2) in subsection (b), by striking ''or 1376'' and inserting ''1313B, 1376, or 1377''.

SEC. 1155. CIVIL MONEY PENALTIES.

Section 1376 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4636) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—The Director may impose a civil money penalty in accordance with this section on any regulated entity or any entity-affiliated party. The Director shall not impose a civil penalty in accordance with this section on any regulated entity or any entity-affiliated party for any violation that is addressed under section 1345(a).'';

(2) by striking subsection (b) and inserting the following:

''(b) AMOUNT OF PENALTY.—

''(1) FIRST TIER.—A regulated entity or entity-affiliated party shall forfeit and pay a civil penalty of not more than $10,000 for each day during which a violation continues, if such regulated entity or party—

''(A) violates any provision of this title, the authorizing statutes, or any order, condition, rule, or regulation under this title or any authorizing statute;

''(B) violates any final or temporary order or notice issued pursuant to this title;

''(C) violates any condition imposed in writing by the Director in connection with the grant of any application or other request by such regulated entity; or

''(D) violates any written agreement between the regulated entity and the Director.

''(2) SECOND TIER.—Notwithstanding paragraph (1), a regulated entity or entity-affiliated party shall forfeit and pay a civil penalty of not more than $50,000 for each day during which a violation, practice, or breach continues, if—

''(A) the regulated entity or entity-affiliated party, respectively—

''(i) commits any violation described in any subparagraph of paragraph (1);

''(ii) recklessly engages in an unsafe or unsound practice in conducting the affairs of the regulated entity; or

''(iii) breaches any fiduciary duty; and

''(B) the violation, practice, or breach—

''(i) is part of a pattern of misconduct;

''(ii) causes or is likely to cause more than a minimal loss to the regulated entity; or

''(iii) results in pecuniary gain or other benefit to such party.

''(3) THIRD TIER.—Notwithstanding paragraphs (1) and (2), any regulated entity or entity-affiliated party shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under paragraph (4) for each day during which such violation, practice, or breach continues, if such regulated entity or entity-affiliated party—

''(A) knowingly—

''(i) commits any violation described in any subparagraph of paragraph (1);

''(ii) engages in any unsafe or unsound practice in conducting the affairs of the regulated entity; or

''(iii) breaches any fiduciary duty; and

''(B) knowingly or recklessly causes a substantial loss to the regulated entity or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach.

''(4) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN PARAGRAPH (3).—The maximum daily amount of any civil penalty which may be assessed pursuant to paragraph (3) for any violation, practice, or breach described in paragraph (3) is—

''(A) in the case of any entity-affiliated party, an amount not to exceed $2,000,000; and

''(B) in the case of any regulated entity, $2,000,000.'';

(3) in subsection (c)—

(A) by striking ''enterprise'' each place that term appears and inserting ''regulated entity'';

(B) by inserting ''or entity-affiliated party'' before ''in writing''; and

(C) by inserting ''or entity-affiliated party'' before ''has been given'';

(4) in subsection (d)—

(A) by striking ''or director'' each place such term appears and inserting ''director, or entity-affiliated party'';

(B) by striking ''an enterprise'' and inserting ''a regulated entity'';

(C) by striking ''the enterprise'' and inserting ''the regulated entity'';

(D) by striking ''request the Attorney General of the United States to'';

(E) by inserting '', or the United States district court within the jurisdiction of which the headquarters of the regulated entity is located,'' after ''District of Columbia'';

(F) by striking '', or may, under the direction and control of the Attorney General of the United States, bring such an action''; and

(G) by striking ''and section 1374''; and

(5) in subsection (g), by striking ''An enterprise'' and inserting ''A regulated entity''.

SEC. 1156. CRIMINAL PENALTY.

(a) IN GENERAL.—Subtitle C of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4631 et seq.) is amended by inserting after section 1377, as added by this Act, the following:

''SEC. 1378. CRIMINAL PENALTY.

''Whoever, being subject to an order in effect under section 1377, without the prior written approval of the Director, knowingly participates, directly or indirectly, in any manner (including by engaging in an activity specifically prohibited in such an order) in the conduct of the affairs of any regulated entity shall, notwithstanding section 3571 of title 18, be fined not more than $1,000,000, imprisoned for not more than 5 years, or both.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended—

(1) in section 1379 (as so designated by this Act)—

(A) by striking ''an enterprise'' and inserting ''a regulated entity''; and

(B) by striking ''the enterprise'' and inserting ''the regulated entity'';

(2) in section 1379A (as so designated by this Act), by striking ''an enterprise'' and inserting ''a regulated entity'';

(3) in section 1379B(c) (as so designated by this Act), by striking ''enterprise'' and inserting ''regulated entity''; and

(4) in section 1379D (as so designated by this Act), by striking ''enterprise'' and inserting ''regulated entity''.

SEC. 1157. NOTICE AFTER SEPARATION FROM SERVICE.

Section 1379 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4637), as so designated by this Act, is amended—

(1) by striking ''2-year'' and inserting ''6-year'';

(2) by striking ''a director or executive officer of an enterprise'' and inserting ''an entity-affiliated party'';

(3) by striking ''director or officer'' each place that term appears and inserting ''entity-affiliated party''; and

(4) by striking ''enterprise.'' and inserting ''regulated entity.''.

SEC. 1158. SUBPOENA AUTHORITY.

(a) IN GENERAL.—Section 1379B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4641) is amended—

(1) in subsection (a)—

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

(i) by striking ''administrative'';

(ii) by inserting '', examination, or investigation'' after ''proceeding'';

(iii) by striking ''subtitle'' and inserting ''title''; and

(iv) by inserting ''or any designated representative thereof, including any person designated to conduct any hearing under this subtitle'' after ''Director''; and

(B) in paragraph (4), by striking ''issued by the Director'';

(2) in subsection (b), by inserting ''or in any territory or other place subject to the jurisdiction of the United States'' after ''State'';

(3) by striking subsection (c) and inserting the following:

''(c) ENFORCEMENT.—

''(1) IN GENERAL.—The Director, or any party to proceedings under this subtitle, may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district of the United States in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this section.

''(2) POWER OF COURT.—The courts described under paragraph (1) shall have the jurisdiction and power to order and require compliance with any subpoena issued under paragraph (1).'';

(4) in subsection (d), by inserting ''enterprise-affiliated party'' before ''may allow''; and

(5) by adding at the end the following:

''(e) PENALTIES.—A person shall be guilty of a misdemeanor, and upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than 1 year, or both, if that person willfully fails or refuses, in disobedience of a subpoena issued under subsection (c), to—

''(1) attend court;

''(2) testify in court;

''(3) answer any lawful inquiry; or

''(4) produce books, papers, correspondence, contracts, agreements, or such other records as requested in the subpoena.''.

Subtitle E—General Provisions

SEC. 1161. CONFORMING AND TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO 1992 ACT.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.), as amended by this Act, is amended—

(1) in section 1315 (12 U.S.C. 4515)—

(A) in subsection (a)—

(i) by striking ''(a) OFFICE PERSONNEL.—The'' and inserting ''(a) IN GENERAL.—Subject to title III of the Federal Housing Finance Regulatory Reform Act of 2008, the''; and

(ii) by striking ''the Office'' each place that term appears and inserting ''the Agency'';

(B) in subsection (c), by striking ''the Office'' and inserting ''the Agency'';

(C) in subsection (e), by striking ''the Office'' and inserting ''the Agency'';

(D) by striking subsection (d) and redesignating subsection (e) as subsection (d); and

(E) by striking subsection (f);

(2) in section 1319A (12 U.S.C. 4520)—

(A) by striking ''(a) IN GENERAL.—''; and

(B) by striking subsection (b);

(3) in section 1364(c) (12 U.S.C. 4614(c)), by striking the last sentence;

(4) by striking section 1383 (12 U.S.C. 1451 note);

(5) in each of sections 1319D, 1319E, and 1319F (12 U.S.C. 4523, 4524, 4525) by striking ''the Office'' each place that term appears and inserting ''the Agency''; and

(6) in each of sections 1319B and 1369(a)(3) (12 U.S.C. 4521, 4619(a)(3)), by striking ''Committee on Banking, Finance and Urban Affairs'' each place such term appears and inserting ''Committee on Financial Services''.

(b) AMENDMENTS TO FANNIE MAE CHARTER ACT.—The Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.) is amended—

(1) in each of sections 303(c)(2) (12 U.S.C. 1718(c)(2)), 309(d)(3)(B) (12 U.S.C. 1723a(d)(3)(B)), and 309(k)(1) (12 U.S.C. 1723a(k)(1)), by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' each place that term appears, and inserting ''Director of the Federal Housing Finance Agency''; and

(2) in section 309—

(A) in subsection (m) (12 U.S.C. 1723a(m))—

(i) in paragraph (1), by striking ''to the Secretary, in a form determined by the Secretary'' and inserting ''to the Director of the Federal Housing Finance Agency, in a form determined by the Director''; and

(ii) in paragraph (2), by striking ''to the Secretary, in a form determined by the Secretary'' and inserting ''to the Director of the Federal Housing Finance Agency, in a form determined by the Director'';

(B) in subsection (n) (12 U.S.C. 1723a(n))—

(i) in paragraph (1), by striking ''and the Secretary'' and inserting ''and the Director of the Federal Housing Finance Agency''; and

(ii) in paragraph (2), by striking ''Secretary'' each place that term appears and inserting ''Director of the Federal Housing Finance Agency''; and

(C) in paragraph (3)(B), by striking ''Secretary'' and inserting ''Director of the Federal Housing Finance Agency''.

(c) AMENDMENTS TO FREDDIE MAC CHARTER ACT.—The Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.) is amended—

(1) in each of sections 303(b)(2) (12 U.S.C. 1452(b)(2)), 303(h)(2) (12 U.S.C. 1452(h)(2)), and section 307(c)(1) (12 U.S.C. 1456(c)(1)), by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' each place that term appears, and inserting ''Director of the Federal Housing Finance Agency'';

(2) in section 306 (12 U.S.C. 1455)—

(A) in subsection (c)(2), by inserting ''the'' after ''Secretary of'';

(B) in subsection (i)—

(i) by striking ''section 1316(c)'' and inserting ''section 306(c)''; and

(ii) by striking ''section 106'' and inserting ''section 1316''; and

(C) in subsection (j)(2), by striking ''of substantially'' and inserting ''or substantially''; and

(3) in section 307 (12 U.S.C. 1456)—

(A) in subsection (e)—

(i) in paragraph (1), by striking ''to the Secretary, in a form determined by the Secretary'' and inserting ''to the Director of the Federal Housing Finance Agency, in a form determined by the Director''; and

(ii) in paragraph (2), by striking ''to the Secretary, in a form determined by the Secretary'' and inserting ''to the Director of the Federal Housing Finance Agency, in a form determined by the Director''; and

(B) in subsection (f)—

(i) in paragraph (1), by striking ''and the Secretary'' and inserting ''and the Director of the Federal Housing Finance Agency'';

(ii) in paragraph (2), by striking ''the Secretary'' each place that term appears and inserting ''the Director of the Federal Housing Finance Agency''; and

(iii) in paragraph (3)(B), by striking ''Secretary'' and inserting ''Director of the Federal Housing Finance Agency''.

(d) AMENDMENT TO TITLE 18, UNITED STATES CODE.—Section 1905 of title 18, United States Code, is amended by striking ''Office of Federal Housing Enterprise Oversight'' and inserting ''Federal Housing Finance Agency''.

(e) AMENDMENTS TO FLOOD DISASTER PROTECTION ACT OF 1973.—Section 102(f)(3)(A) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(f)(3)(A)) is amended by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''Director of the Federal Housing Finance Agency''.

(f) AMENDMENT TO DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ACT.—Section 5 of the Department of Housing and Urban Development Act (42 U.S.C. 3534) is amended by striking subsection (d).

(g) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended—

(1) in section 5313, by striking the item relating to the Director of the Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Development and inserting the following new item:

''Director of the Federal Housing Finance Agency.''; and

(2) in section 3132(a)(1)—

(A) in subparagraph (B), by striking '',, and'' and inserting '', and'';

(B) in subparagraph (D)—

(i) by striking ''the Federal Housing Finance Board'';

(ii) by striking ''the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''the Federal Housing Finance Agency''; and

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

(C) in subparagraph (E), as added by section 8(d)(1)(B)(iii) of Public Law 107-123, by adding ''or'' at the end; and

(D) by redesignating subparagraph (E), as added by section 10702(c)(1)(C) of Public Law 107-171, as subparagraph (F).

(h) AMENDMENT TO SARBANES-OXLEY ACT.—Section 105(b)(5)(B)(ii)(II) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(b)(5)(B)(ii)(II)) is amended by inserting ''and the Director of the Federal Housing Finance Agency,'' after ''Commission,''.

(i) AMENDMENT TO FEDERAL DEPOSIT INSURANCE ACT.—Section 11(t)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(t)(2)(A)) is amended by adding at the end the following:

''(vii) Federal Housing Finance Agency.''.

SEC. 1162. PRESIDENTIALLY-APPOINTED DIRECTORS OF ENTERPRISES.

(a) FANNIE MAE.—

(1) IN GENERAL.—Section 308(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended—

(A) in the first sentence, by striking ''eighteen persons, five of whom shall be appointed annually by the President of the United States, and the remainder of whom'' and inserting ''13 persons, or such other number that the Director determines appropriate, who'';

(B) in the second sentence, by striking ''appointed by the President'';

(C) in the third sentence—

(i) by striking ''appointed or''; and

(ii) by striking '', except that any such appointed member may be removed from office by the President for good cause'';

(D) in the fourth sentence, by striking ''elective''; and

(E) by striking the fifth sentence.

(2) TRANSITIONAL PROVISION.—The amendments made by paragraph (1) shall not apply to any appointed position of the board of directors of the Federal National Mortgage Association until the expiration of the annual term for such position during which the effective date under section 1163 occurs.

(b) FREDDIE MAC.—

(1) IN GENERAL.—Section 303(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2)) is amended—

(A) in subparagraph (A)—

(i) in the first sentence, by striking ''18 persons, 5 of whom shall be appointed annually by the President of the United States and the remainder of whom'' and inserting ''13 persons, or such other number as the Director determines appropriate, who''; and

(ii) in the second sentence, by striking ''appointed by the President of the United States'';

(B) in subparagraph (B)—

(i) by striking ''such or''; and

(ii) by striking '', except that any appointed member may be removed from office by the President for good cause''; and

(C) in subparagraph (C)—

(i) by striking the first sentence; and

(ii) by striking ''elective''.

(2) TRANSITIONAL PROVISION.—The amendments made by paragraph (1) shall not apply to any appointed position of the board of directors of the Federal Home Loan Mortgage Corporation until the expiration of the annual term for such position during which the effective date under section 1163 occurs.

SEC. 1163. EFFECTIVE DATE.

Except as otherwise specifically provided in this title, this title and the amendments made by this title shall take effect on, and shall apply beginning on, the date of enactment of this Act.

TITLE II—FEDERAL HOME LOAN BANKS

SEC. 1201. RECOGNITION OF DISTINCTIONS BETWEEN THE ENTERPRISES AND THE FEDERAL HOME LOAN BANKS.

Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4513) is amended by adding at the end the following:

''(f) RECOGNITION OF DISTINCTIONS BETWEEN THE ENTERPRISES AND THE FEDERAL HOME LOAN BANKS.—Prior to promulgating any regulation or taking any other formal or informal agency action of general applicability relating to the Federal Home Loan Banks, including the issuance of an advisory document or examination guidance, the Director shall consider the differences between the Federal Home Loan Banks and the enterprises with respect to—

''(1) the Banks'—

''(A) cooperative ownership structure;

''(B) the mission of providing liquidity to members;

''(C) affordable housing and community development mission;

''(D) capital structure; and

''(E) joint and several liability; and

''(2) any other differences that the Director considers appropriate.''.

SEC. 1202. DIRECTORS.

Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) NUMBER; ELECTION; QUALIFICATIONS; CONFLICTS OF INTEREST.—

''(1) IN GENERAL.—Subject to paragraphs (2) through (4), the management of each Federal Home Loan Bank shall be vested in a board of 13 directors, or such other number as the Director determines appropriate.

''(2) BOARD MAKEUP.—The board of directors of each Bank shall be comprised of—

''(A) member directors, who shall comprise at least the majority of the members of the board of directors; and

''(B) independent directors, who shall comprise not fewer than ⅖ of the members of the board of directors.

''(3) SELECTION CRITERIA.—

''(A) IN GENERAL.—Each member of the board of directors shall be—

''(i) elected by plurality vote of the members, in accordance with procedures established under this section; and

''(ii) a citizen of the United States.

''(B) INDEPENDENT DIRECTOR CRITERIA.—

''(i) IN GENERAL.—Each independent director that is not a public interest director under clause (ii) shall have demonstrated knowledge of, or experience in, financial management, auditing and accounting, risk management practices, derivatives, project development, or organizational management, or such other knowledge or expertise as the Director may provide by regulation.

''(ii) PUBLIC INTEREST.—Not fewer than 2 of the independent directors shall have more than 4 years of experience in representing consumer or community interests on banking services, credit needs, housing, or financial consumer protections.

''(iii) CONFLICTS OF INTEREST.—No independent director may, during the term of service on the board of directors, serve as an officer of any Federal Home Loan Bank or as a director, officer, or employee of any member of a Bank, or of any person that receives advances from a Bank.

''(4) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(A) INDEPENDENT DIRECTOR.—The terms 'independent director' and 'independent directorship' mean a member of the board of directors of a Federal Home Loan Bank who is a bona fide resident of the district in which the Federal Home Loan Bank is located, or the directorship held by such a person, respectively.

''(B) MEMBER DIRECTOR.—The terms 'member director' and 'member directorship' mean a member of the board of directors of a Federal Home Loan Bank who is an officer or director of a member institution that is located in the district in which the Federal Home Loan Bank is located, or the directorship held by such a person, respectively.'';

(2) by striking ''elective'' each place that term appears, other than in subsections (d), (e), and (f), and inserting ''member'';

(3) in subsection (b)—

(A) by striking the subsection heading and all that follows through ''Each elective directorship'' and inserting the following:

''(b) DIRECTORSHIPS.—

''(1) MEMBER DIRECTORSHIPS.—Each member directorship''; and

(B) by adding at the end the following:

''(2) INDEPENDENT DIRECTORSHIPS.—

''(A) ELECTIONS.—Each independent director—

''(i) shall be elected by the members entitled to vote, from among eligible persons nominated, after consultation with the Advisory Council of the Bank, by the board of directors of the Bank; and

''(ii) shall be elected by a plurality of the votes of the members of the Bank at large, with each member having the number of votes for each such directorship as it has under paragraph (1) in an election to fill member directorships.

''(B) CRITERIA.—Nominees shall meet all applicable requirements prescribed in this section.

''(C) NOMINATION AND ELECTION PROCEDURES.—Procedures for nomination and election of independent directors shall be prescribed by the bylaws of each Federal Home Loan Bank, in a manner consistent with the rules and regulations of the Agency.'';

(4) in subsection (c)—

(A) by striking ''elective'' each place that term appears and inserting ''member'', except—

(i) in the second sentence, the second place that term appears; and

(ii) each place that term appears in the fifth sentence; and

(B) in the second sentence—

(i) by inserting ''(A) except as provided in clause (B) of this sentence,'' before ''if at any time''; and

(ii) by inserting before the period at the end the following: '', and (B) clause (A) of this sentence shall not apply to the directorships of any Federal Home Loan Bank resulting from the merger of any 2 or more such Banks'';

(5) in subsection (d)—

(A) in the first sentence—

(i) by striking '', whether elected or appointed,''; and

(ii) by striking ''3 years'' and inserting ''4 years'';

(B) in the second sentence—

(i) by striking ''Federal Home Loan Bank System Modernization Act of 1999'' and inserting ''Federal Housing Finance Regulatory Reform Act of 2008'';

(ii) by striking ''⅓'' and inserting ''¼''; and

(iii) by striking ''or appointed''; and

(C) in the third sentence—

(i) by striking ''an elective'' each place that term appears and inserting ''a''; and

(ii) by striking ''in any elective directorship or elective directorships'';

(6) in subsection (f)—

(A) by striking paragraph (2);

(B) by striking ''appointed or'' each place that term appears; and

(C) in paragraph (3)—

(i) by striking ''(3) ELECTED BANK DIRECTORS.—'' and inserting ''(2) ELECTION PROCESS.—''; and

(ii) by striking ''elective'' each place that term appears;

(7) in subsection (i)—

(A) in paragraph (1), by striking ''Subject to paragraph (2), each'' and inserting ''Each''; and

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

''(2) ANNUAL REPORT.—The Director shall include, in the annual report submitted to the Congress pursuant to section 1319B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, information regarding the compensation and expenses paid by the Federal Home Loan Banks to the directors on the boards of directors of the Banks.''; and

(8) by adding at the end the following:

''(1) TRANSITION RULE.—Any member of the board of directors of a Bank elected or appointed in accordance with this section prior to the date of enactment of this subsection may continue to serve as a member of that board of directors for the remainder of the existing term of service.''.

SEC. 1203. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) by striking paragraphs (1), (10), and (11);

(2) by redesignating paragraphs (2) through (9) as paragraphs (1) through (8), respectively;

(3) by redesignating paragraphs (12) and (13) as paragraphs (9) and (10), respectively; and

(4) by adding at the end the following:

''(11) DIRECTOR.—The term 'Director' means the Director of the Federal Housing Finance Agency.

''(12) AGENCY.—The term 'Agency' means the Federal Housing Finance Agency, established under section 1311 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.''.

SEC. 1204. AGENCY OVERSIGHT OF FEDERAL HOME LOAN BANKS.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.), other than in provisions of that Act added or amended otherwise by this Act, is amended—

(1) by striking sections 2A and 2B (12 U.S.C. 1422a, 1422b);

(2) by striking section 18 (12 U.S.C. 1438) and inserting the following:

''SEC. 18. ADMINISTRATIVE PROVISIONS.

''(a) ACQUISITION AUTHORITY.—The Director of the Office of Thrift Supervision, utilizing the services of the Administrator of General Services (hereinafter referred to as the 'Administrator'), and subject to any limitation hereon which may hereafter be imposed in appropriation Acts, is hereby authorized—

''(1) to acquire, in the name of the United States, real property in the District of Columbia, for the purposes set forth in this section;

''(2) to construct, develop, furnish, and equip such buildings thereon and such facilities as in its judgment may be appropriate to provide, to such extent as the Director of the Office of Thrift Supervision may deem advisable, suitable and adequate quarters and facilities for the Director of the Office of Thrift Supervision and the agencies under its administration or supervision;

''(3) to enlarge, remodel, or reconstruct any of the same; and

''(4) to make or enter into contracts for any of the foregoing.

''(b) ADVANCES.—The Director of the Office of Thrift Supervision may require of the respective banks, and they shall make to the Director of the Office of Thrift Supervision, such advances of funds for the purposes set out in subsection (a) as in the sole judgment of the Director of the Office of Thrift Supervision may from time to time be advisable. Such advances shall be apportioned by the Director of the Office of Thrift Supervision among the banks in proportion to the total assets of the respective banks, determined in such manner and as of such times as the Director of the Office of Thrift Supervision may prescribe. Each such advance shall bear interest at the rate of 4 ½ per centum per annum from the date of the advance and shall be repaid by the Director of the Office of Thrift Supervision in such installments and over such period, not longer than twenty-five years from the making of the advance, as the Director of the Office of Thrift Supervision may determine. Payments of interest and principal upon such advances shall be made from receipts of the Director of the Office of Thrift Supervision or from other sources which may from time to time be available to the Director of the Office of Thrift Supervision. The obligation of the Director of the Office of Thrift Supervision to

make any such payment shall not be regarded as an obligation of the United States. To such extent as the Director of the Office of Thrift Supervision may prescribe any such obligation shall be regarded as a legal investment for the purposes of subsections (g) and (h) of section 11 and for the purposes of section 16.

''(c) PLANS AND DESIGNS.—The plans and designs for such buildings and facilities and for any such enlargement, remodeling, or reconstruction shall, to such extent as the chairperson of the Director of the Office of Thrift Supervision may request, be subject to the approval of the Director.

''(d) CUSTODY, MANAGEMENT AND CONTROL.—Upon the making of arrangements mutually agreeable to the Director of the Office of Thrift Supervision and the Administrator, which arrangements may be modified from time to time by mutual agreement between them and may include but shall not be limited to the making of payments by the Director of the Office of Thrift Supervision and such agencies to the Administrator and by the Administrator to the Director of the Office of Thrift Supervision, the custody, management, and control of such buildings and facilities and of such real property shall be vested in the Administrator in accordance therewith. Until the making of such arrangements, such custody, management, and control, including the assignment and allotment and the reassignment and reallotment of building and other space, shall be vested in the Director of the Office of Thrift Supervision.

''(e) PROCEEDS.—Any proceeds (including advances) received by the Director of the Office of Thrift Supervision in connection with this subsection, and any proceeds from the sale or other disposition of real or other property acquired by the Director of the Office of Thrift Supervision under this section, shall be considered as receipts of the Director of the Office of Thrift Supervision, and obligations and expenditures of the Director of the Office of Thrift Supervision and such agencies in connection with this section shall not be considered as administrative expenses. As used in this section, the term 'property' shall include interests in property.

''(f) BUDGET PROGRAM.—

''(1) IN GENERAL.—With respect to its functions under this section, the Director of the Office of Thrift Supervision shall—

''(A) annually prepare and submit a budget program as provided in title I of the Government Corporation Control Act with regard to wholly owned Government corporations, and for purposes of this paragraph, the terms 'wholly owned Government corporations' and 'Government corporations', wherever used in such title, shall include the Director of the Office of Thrift Supervision; and

''(B) maintain an integral set of accounts which shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions, as provided in such title, and no other settlement or adjustment shall be required with respect to transactions under this section or with respect to claims, demands, or accounts by or against any person arising thereunder.

''(2) MISCELLANEOUS PROVISIONS.—The first budget program shall be for the first full fiscal year beginning on or after the date of enactment of this subsection. Except as otherwise provided in this section or by the Director of the Office of Thrift Supervision, the provisions of this section and the functions thereby or thereunder subsisting shall be applicable and exercisable notwithstanding and without regard to the Act of June 20, 1938 (D.C. Code, secs. 5–413—5–428), except that the proviso of section 16 thereof shall apply to any building constructed under this section, and section 306 of the Act of July 30, 1947 (61 Stat. 584), or any other provision of law relating to the construction, alteration, repair, or furnishing of public or other buildings or structures or the obtaining of sites therefor, but any person or body in whom any such function is vested may provide for delegation or redelegation of the exercise of such function.

''(g) LIMITATION.—No obligation shall be incurred and no expenditure, except in liquidation of obligation, shall be made pursuant to paragraphs (1) and (2) of subsection (a), if the total amount of all obligations incurred pursuant thereto would thereupon exceed $13,200,000, or such greater amount as may be provided in an appropriations Act or other law.''.

(3) in section 11 (12 U.S.C. 1431)—

(A) in subsection (b)—

(i) in the first sentence—

(I) by striking ''The Board'' and inserting ''The Office of Finance, as agent for the Banks,''; and

(II) by striking ''the Board'' and inserting ''such Office''; and

(ii) in the second and fourth sentences, by striking ''the Board'' each place such term appears and inserting ''the Office of Finance'';

(B) in subsection (c)—

(i) by striking ''the Board'' the first place such term appears and inserting ''the Office of Finance, as agent for the Banks,''; and

(ii) by striking ''the Board'' the second place such term appears and inserting ''such Office''; and

(C) in subsection (f)—

(i) by striking the 2 commas after ''permit'' and inserting ''or''; and

(ii) by striking the comma after ''require'';

(4) in section 6 (12 U.S.C. 1426)—

(A) in subsection (b)(1), in the matter preceding subparagraph (A), by striking ''Finance Board approval'' and inserting ''approval by the Director''; and

(B) in each of subsections (c)(4)(B) and (d)(2), by striking ''Finance Board regulations'' each place that term appears and inserting ''regulations of the Director'';

(5) in section 10(b) (12 U.S.C. 1430(b))—

(A) in the subsection heading, by striking ''FORMAL BOARD RESOLUTION'' and inserting ''APPROVAL OF DIRECTOR''; and

(B) by striking ''by formal resolution'';

(6) in section 21(b)(5) (12 U.S.C. 1441(b)(5)), by striking ''Chairperson of the Federal Housing Finance Board'' and inserting ''Director'';

(7) in section 15 (12 U.S.C. 1435), by inserting ''or the Director'' after ''the Board'';

(8) by striking ''the Board'' each place that term appears and inserting ''the Director'';

(9) by striking ''The Board'' each place that term appears and inserting ''The Director'';

(10) by striking ''the Finance Board'' each place that term appears and inserting ''the Director'';

(11) by striking ''The Finance Board'' each place that term appears and inserting ''The Director''; and

(12) by striking ''Federal Housing Finance Board'' each place that term appears and inserting ''Director''.

SEC. 1205. HOUSING GOALS.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 10b the following new section:

''SEC. 10C. HOUSING GOALS.

''(a) IN GENERAL.—The Director shall establish housing goals with respect to the purchase of mortgages, if any, by the Federal Home Loan Banks. Such goals shall be consistent with the goals established under sections 1331 through 1334 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

''(b) CONSIDERATIONS.—In establishing the goals required by subsection (a), the Director shall consider the unique mission and ownership structure of the Federal Home Loan Banks.

''(c) TRANSITION PERIOD.—To facilitate an orderly transition, the Director shall establish interim target goals for purposes of this section for each of the 2 calendar years following the date of enactment of this section.

''(d) MONITORING AND ENFORCEMENT OF GOALS.—The requirements of section 1336 of the Federal Housing Enterprises Safety and Soundness Act of 1992, shall apply to this section, in the same manner and to the same extent as that section applies to the Federal housing enterprises.

''(e) ANNUAL REPORT.—The Director shall annually report to Congress on the performance of the Banks in meeting the goals established under this section.''.

SEC. 1206. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS.

Section 4(a)(1) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)(1)) is amended—

(1) by inserting after ''savings bank,'' the following: ''community development financial institution,''; and

(2) in subparagraph (B), by inserting after ''United States,'' the following: ''or, in the case of a community development financial institution, is certified as a community development financial institution under the Community Development Banking and Financial Institutions Act of 1994.''.

SEC. 1207. SHARING OF INFORMATION AMONG FEDERAL HOME LOAN BANKS.

The Federal Home Loan Bank Act is amended by inserting after section 20 (12 U.S.C. 1440) the following new section:

''SEC. 20A. SHARING OF INFORMATION AMONG FEDERAL HOME LOAN BANKS.

''(a) INFORMATION ON FINANCIAL CONDITION.—In order to enable each Federal Home Loan Bank to evaluate the financial condition of one or more of the other Federal Home Loan Banks individually and the Federal Home Loan Bank System (including any risks associated with the issuance or repayment of consolidated Federal Home Loan Bank bonds and debentures or other borrowings and the joint and several liabilities of the Banks incurred due to such borrowings), as well as to comply with any of its obligations under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Director shall make available to the Banks such reports, records, or other information as may be available, relating to the condition of any Federal Home Loan Bank.

''(b) SHARING OF INFORMATION.—

''(1) IN GENERAL.—The Director shall promulgate regulations to facilitate the sharing of information made available under subsection (a) directly among the Federal Home Loan Banks.

''(2) LIMITATION.—Notwithstanding paragraph (1), a Federal Home Loan Bank responding to a request from another Bank or from the Director for information pursuant to this section may request that the Director determine that such information is proprietary and that the public interest requires that such information not be shared.

''(c) LIMITATION.—Nothing in this section shall affect the obligations of any Federal Home Loan Bank under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the regulations issued by the Securities and Exchange Commission thereunder.''.

SEC. 1208. EXCLUSION FROM CERTAIN REQUIREMENTS.

(a) IN GENERAL.—The Federal Home Loan Banks shall be exempt from compliance with—

(1) sections 13(e), 14(a), and 14(c) of the Securities Exchange Act of 1934, and related Commission regulations;

(2) section 15 of the Securities Exchange Act of 1934, and related Commission regulations, with respect to transactions in the capital stock of a Federal Home Loan Bank;

(3) section 17A of the Securities Exchange Act of 1934, and related Commission regulations, with respect to the transfer of the securities of a Federal Home Loan Bank; and

(4) the Trust Indenture Act of 1939.

(b) MEMBER EXEMPTION.—The members of the Federal Home Loan Bank System shall be exempt from compliance with sections 13(d), 13(f), 13(g), 14(d), and 16 of the Securities Exchange Act of 1934, and related Commission regulations, with respect to ownership of or transactions in the capital stock of the Federal Home Loan Banks by such members.

(c) EXEMPTED AND GOVERNMENT SECURITIES.—

(1) CAPITAL STOCK.—The capital stock issued by each of the Federal Home Loan Banks under section 6 of the Federal Home Loan Bank Act are—

(A) exempted securities, within the meaning of section 3(a)(2) of the Securities Act of 1933; and

(B) exempted securities, within the meaning of section 3(a)(12)(A) of the Securities Exchange Act of 1934, except to the extent provided in section 38 of that Act.

(2) OTHER OBLIGATIONS.—The debentures, bonds, and other obligations issued under section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) are—

(A) exempted securities, within the meaning of section 3(a)(2) of the Securities Act of 1933;

(B) government securities, within the meaning of section 3(a)(42) of the Securities Exchange Act of 1934; and

(C) government securities, within the meaning of section 2(a)(16) of the Investment Company Act of 1940.

(3) BROKERS AND DEALERS.—A person (other than a Federal Home Loan Bank effecting transactions for members of the Federal Home Loan Bank System) that effects transactions in the capital stock or other obligations of a Federal Home Loan Bank, for the account of others or for that person's own account, as applicable, is a broker or dealer, as those terms are defined in paragraphs (4) and (5), respectively, of section 3(a) of the Securities Exchange Act of 1934, but is excluded from the definition of—

(A) the term ''government securities broker'' under section 3(a)(43) of the Securities Exchange Act of 1934; and

(B) the term ''government securities dealer'' under section 3(a)(44) of the Securities Exchange Act of 1934.

(d) EXEMPTION FROM REPORTING REQUIREMENTS.—The Federal Home Loan Banks shall be exempt from periodic reporting requirements under the securities laws pertaining to the disclosure of—

(1) related party transactions that occur in the ordinary course of the business of the Banks with members; and

(2) the unregistered sales of equity securities.

(e) TENDER OFFERS.—Commission rules relating to tender offers shall not apply in connection with transactions in the capital stock of the Federal Home Loan Banks.

(f) REGULATIONS.—

(1) IN GENERAL.—The Commission shall promulgate such rules and regulations as may be necessary or appropriate in the public interest or in furtherance of this section and the exemptions provided in this section.

(2) CONSIDERATIONS.—In issuing regulations under this section, the Commission shall consider the distinctive characteristics of the Federal Home Loan Banks when evaluating—

(A) the accounting treatment with respect to the payment to the Resolution Funding Corporation;

(B) the role of the combined financial statements of the Federal Home Loan Banks;

(C) the accounting classification of redeemable capital stock; and

(D) the accounting treatment related to the joint and several nature of the obligations of the Banks.

(g) DEFINITIONS.—As used in this section—

(1) the terms ''Bank'', ''Federal Home Loan Bank'', ''member'', and ''Federal Home Loan Bank System'' have the same meanings as in section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422);

(2) the term ''Commission'' means the Securities and Exchange Commission; and

(3) the term ''securities laws'' has the same meaning as in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47)).

SEC. 1209. VOLUNTARY MERGERS.

Section 26 of the Federal Home Loan Bank Act (12 U.S.C. 1446) is amended—

(1) by striking ''Whenever'' and inserting ''(a) IN GENERAL.—Whenever''; and

(2) by adding at the end the following:

''(b) VOLUNTARY MERGERS AUTHORIZED.—

''(1) IN GENERAL.—Any Federal Home Loan Bank may, with the approval of the Director and of the boards of directors of the Banks involved, merge with another Bank.

''(2) REGULATIONS REQUIRED.—The Director shall promulgate regulations establishing the conditions and procedures for the consideration and approval of any voluntary merger described in paragraph (1), including the procedures for Bank member approval.''.

SEC. 1210. AUTHORITY TO REDUCE DISTRICTS.

Section 3 of the Federal Home Loan Bank Act (12 U.S.C. 1423) is amended—

(1) by striking ''As soon'' and inserting ''(a) IN GENERAL.—As soon''; and

(2) by adding at the end the following:

''(b) AUTHORITY TO REDUCE DISTRICTS.—Notwithstanding subsection (a), the number of districts may be reduced to a number less than 8—

''(1) pursuant to a voluntary merger between Banks, as approved pursuant to section 26(b); or

''(2) pursuant to a decision by the Director to liquidate a Bank pursuant to section 1367 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.''.

SEC. 1211. COMMUNITY FINANCIAL INSTITUTION MEMBERS.

(a) TOTAL ASSET REQUIREMENT.—Paragraph (10) of section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422(10)), as so redesignated by section 201(3) of this Act, is amended by striking ''$500,000,000'' each place such term appears and inserting ''$1,000,000,000''.

(b) USE OF ADVANCES FOR COMMUNITY DEVELOPMENT ACTIVITIES.—Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) in paragraph (2)(B)—

(A) by striking ''and''; and

(B) by inserting '', and community development activities'' before the period at the end;

(2) in paragraph (3)(E), by inserting ''or community development activities'' after ''agriculture,''; and

(3) in paragraph (6)—

(A) by striking ''and''; and

(B) by inserting '', and 'community development activities' '' before ''shall''.

SEC. 1212. PUBLIC USE DATA BASE; REPORTS TO CONGRESS.

Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended—

(1) in subsection (j)(12)—

(A) by striking subparagraph (C) and inserting the following:

''(C) REPORTS.—The Director shall annually report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the collateral pledged to the Banks, including an analysis of collateral by type and by Bank district.''; and

(B) by adding at the end the following:

''(D) SUBMISSION TO CONGRESS.—The Director shall submit the reports under subparagraphs (A) and (C) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, not later than 180 days after the date of enactment of the Federal Housing Finance Regulatory Reform Act of 2008.''; and

(2) by adding at the end the following:

''(k) PUBLIC USE DATABASE.—

''(1) DATA.—Each Federal Home Loan Bank shall provide to the Director, in a form determined by the Director, census tract level data relating to mortgages purchased, if any, including—

''(A) data consistent with that reported under section 1323 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992;

''(B) data elements required to be reported under the Home Mortgage Disclosure Act of 1975; and

''(C) any other data elements that the Director considers appropriate.

''(2) PUBLIC USE DATABASE.—

''(A) IN GENERAL.—The Director shall make available to the public, in a form that is useful to the public (including forms accessible electronically), and to the extent practicable, the data provided to the Director under paragraph (1).

''(B) PROPRIETARY INFORMATION.—Notwithstanding subparagraph (A), the Director may not provide public access to, or disclose to the public, any information required to be submitted under this subsection that the Director determines is proprietary or that would provide personally identifiable information and that is not otherwise publicly accessible through other forms, unless the Director determines that it is in the public interest to provide such information.''.

SEC. 1213. SEMIANNUAL REPORTS.

Section 21B of the Federal Home Loan Bank Act is amended in subsection (f)(2)(C), by adding at the end the following:

''(v) SEMIANNUAL REPORTS.—The Director shall report semiannually to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the projected date for the completion of contributions required by this section.''.

SEC. 1214. LIQUIDATION OR REORGANIZATION OF A FEDERAL HOME LOAN BANK.

Section 26 of the Federal Home Loan Bank Act (12 U.S.C. 1446) is amended by adding at the end the following: ''At least 30 days prior to liquidating or reorganizing any Bank under this section, the Director shall notify the Bank of its determination and the facts and circumstances upon which such determination is based. The Bank may contest that determination in a hearing before the Director, in which all issues shall be determined on the record pursuant to section 554 of title 5, United States Code.''.

SEC. 1215. STUDY AND REPORT TO CONGRESS ON SECURITIZATION OF ACQUIRED MEMBER ASSETS.

(a) STUDY.—The Director shall conduct a study on securitization of home mortgage loans purchased or to be purchased from member financial institutions under the Acquired Member Assets programs. In conducting the study, the Director shall establish a process for the formal submission of comments.

(b) ELEMENTS.—The study shall encompass—

(1) the benefits and risks associated with securitization of Acquired Member Assets;

(2) the potential impact of securitization upon liquidity in the mortgage and broader credit markets;

(3) the ability of the Federal Home Loan Bank or Banks in question to manage the risks associated with such a program;

(4) the impact of such a program on the existing activities of the Banks, including their mortgage portfolios and advances; and

(5) the joint and several liability of the Banks and the cooperative structure of the Federal Home Loan Bank System.

(c) CONSULTATIONS.—In conducting the study under this section, the Director shall consult with the Federal Home Loan Banks, the Banks' fiscal agent, representatives of the mortgage lending industry, practitioners in the structured finance field, and other experts as needed.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress on the results of the study conducted under subsection (a), including policy recommendations based on the analysis of the Director of the feasibility of mortgage-backed securities issuance by a Federal Home Loan Bank or Banks and the risks and benefits associated with such program or programs.

(e) DEFINITIONS.—As used in this section, the terms ''member'', ''Bank'', and ''Federal Home Loan Bank'' have the same meanings as in section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422).

SEC. 1216. TECHNICAL AND CONFORMING AMENDMENTS.

(a) RIGHT TO FINANCIAL PRIVACY ACT OF 1978.—Section 1113(o) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(o)) is amended—

(1) by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''; and

(2) by striking ''Federal Housing Finance Board's'' and inserting ''Federal Housing Finance Agency's''.

(b) RIEGLE COMMUNITY DEVELOPMENT AND REGULATORY IMPROVEMENT ACT OF 1994.—Section 117(e) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4716(e)) is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(c) TITLE 18, UNITED STATES CODE.—Title 18, United States Code, is amended by striking ''Federal Housing Finance Board'' each place such term appears in each of sections 212, 657, 1006, and 1014, and inserting ''Federal Housing Finance Agency''.

(d) MAHRA ACT OF 1997.—Section 517(b)(4) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(e) TITLE 44, UNITED STATES CODE.—Section 3502(5) of title 44, United States Code, is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(f) ACCESS TO LOCAL TV ACT OF 2000.—Section 1004(d)(2)(D)(iii) of the Launching Our Communities' Access to Local Television Act of 2000 (47 U.S.C. 1103(d)(2)(D)(iii)) is amended by striking ''Office of Federal Housing Enterprise Oversight, the Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(g) FIRREA.—Section 1216 of the Financial Institutions Reform, Recovery, and Enhancement Act of 1989 (12 U.S.C. 1833e) is amended—

(1) in subsection (a), by striking paragraph (3) and inserting the following:

''(3) the Federal Housing Finance Agency;'';

(2) in subsection (b), by striking ''Federal National Mortgage Association'' and inserting ''Federal Home Loan Banks, the Federal National Mortgage Association,''; and

(3) in subsection (c), by striking ''Finance Board'' and inserting ''Finance Agency''.

SEC. 1217. STUDY ON FEDERAL HOME LOAN BANK ADVANCES.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Director shall conduct a study and submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House or Representatives on the extent to which loans and securities used as collateral to support Federal Home Loan Bank advances are consistent with the interagency guidance on nontraditional mortgage products.

(b) REQUIRED CONTENT.—The study required under subsection (a) shall—

(1) consider and recommend any additional regulations, guidance, advisory bulletins, or other administrative actions necessary to ensure that the Federal Home Loan Banks are not supporting loans with predatory characteristics; and

(2) include an opportunity for the public to comment on any recommendations made under paragraph (1).

SEC. 1218. FEDERAL HOME LOAN BANK REFINANCING AUTHORITY FOR CERTAIN RESIDENTIAL MORTGAGE LOANS.

Section 10(j)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)(2)) is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(C) during the 2-year period beginning on the date of enactment of this subparagraph, refinance loans that are secured by a first mortgage on a primary residence of any family having an income at or below 80 percent of the median income for the area.''.

TITLE III—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY OF OFHEO AND THE FEDERAL HOUSING FINANCE BOARD

Subtitle A—OFHEO

SEC. 1301. ABOLISHMENT OF OFHEO.

(a) IN GENERAL.—Effective at the end of the 1-year period beginning on the date of enactment of this Act, the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development and the positions of the Director and Deputy Director of such Office are abolished.

(b) DISPOSITION OF AFFAIRS.—During the 1-year period beginning on the date of enactment of this Act, the Director of the Office of Federal Housing Enterprise Oversight, solely for the purpose of winding up the affairs of the Office of Federal Housing Enterprise Oversight—

(1) shall manage the employees of such Office and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of such employee under section 1303; and

(2) may take any other action necessary for the purpose of winding up the affairs of the Office.

(c) STATUS OF EMPLOYEES BEFORE TRANSFER.—The amendments made by title I and the abolishment of the Office of Federal Housing Enterprise Oversight under subsection (a) of this section may not be construed to affect the status of any employee of such Office as an employee of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee under section 1303.

(d) USE OF PROPERTY AND SERVICES.—

(1) PROPERTY.—The Director may use the property of the Office of Federal Housing Enterprise Oversight to perform functions which have been transferred to the Director for such time as is reasonable to facilitate the orderly transfer of functions transferred under any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Office of Federal Housing Enterprise Oversight before the expiration of the period under subsection (a) in connection with functions that are transferred to the Director shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(e) CONTINUATION OF SERVICES.—The Director may use the services of employees and other personnel of the Office of Federal Housing Enterprise Oversight, on a reimbursable basis, to perform functions which have been transferred to the Director for such time as is reasonable to facilitate the orderly transfer of functions pursuant to any other provision of this Act or any amendment made by this Act to any other provision of law.

(f) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, the Director of the Office of Federal Housing Enterprise Oversight, or any other person, which—

(A) arises under—

(i) the Federal Housing Enterprises Financial Safety and Soundness Act of 1992;

(ii) the Federal National Mortgage Association Charter Act;

(iii) the Federal Home Loan Mortgage Corporation Act; or

(iv) any other provision of law applicable with respect to such Office; and

(B) existed on the day before the date of abolishment under subsection (a).

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Director of the Office of Federal Housing Enterprise Oversight in connection with functions that are transferred to the Director of the Federal Housing Finance Agency shall abate by reason of the enactment of this Act, except that the Director of the Federal Housing Finance Agency shall be substituted for the Director of the Office of Federal Housing Enterprise Oversight as a party to any such action or proceeding.

SEC. 1302. CONTINUATION AND COORDINATION OF CERTAIN ACTIONS.

(a) IN GENERAL.—All regulations, orders, and determinations described in subsection (b) shall remain in effect according to the terms of such regulations, orders, and determinations, and shall be enforceable by or against the Director or the Secretary of Housing and Urban Development, as the case may be, until modified, terminated, set aside, or superseded in accordance with applicable law by the Director or the Secretary, as the case may be, any court of competent jurisdiction, or operation of law.

(b) APPLICABILITY.—A regulation, order, or determination is described in this subsection if it—

(1) was issued, made, prescribed, or allowed to become effective by—

(A) the Office of Federal Housing Enterprise Oversight;

(B) the Secretary of Housing and Urban Development, and relates to the authority of the Secretary under—

(i) the Federal Housing Enterprises Financial Safety and Soundness Act of 1992;

(ii) the Federal National Mortgage Association Charter Act, with respect to the Federal National Mortgage Association; or

(iii) the Federal Home Loan Mortgage Corporation Act, with respect to the Federal Home Loan Mortgage Corporation; or

(C) a court of competent jurisdiction, and relates to functions transferred by this Act; and

(2) is in effect on the effective date of the abolishment under section 1301(a).

SEC. 1303. TRANSFER AND RIGHTS OF EMPLOYEES OF OFHEO.

(a) TRANSFER.—Each employee of the Office of Federal Housing Enterprise Oversight shall be transferred to the Agency for employment, not later than the effective date of the abolishment under section 1301(a), and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(b) GUARANTEED POSITIONS.—

(1) IN GENERAL.—Each employee transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer.

(2) NO INVOLUNTARY SEPARATION OR REDUCTION.—An employee transferred under subsection (a) holding a permanent position on the day immediately preceding the transfer may not be involuntarily separated or reduced in grade or compensation during the 12-month period beginning on the date of transfer, except for cause, or, in the case of a temporary employee, separated in accordance with the terms of the appointment of the employee.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED AND SENIOR EXECUTIVE SERVICE EMPLOYEES.—

(1) IN GENERAL.—In the case of an employee occupying a position in the excepted service or the Senior Executive Service, any appointment authority established under law or by regulations of the Office of Personnel Management for filling such position shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director may decline a transfer of authority under paragraph (1) to the extent that such authority relates to—

(A) a position excepted from the competitive service because of its confidential, policymaking, policy-determining, or policy-advocating character; or

(B) a noncareer position in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(d) REORGANIZATION.—If the Director determines, after the end of the 1-year period beginning on the effective date of the abolishment under section 1301(a), that a reorganization of the combined workforce is required, that reorganization shall be deemed a major reorganization for purposes of affording affected employee retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—

(1) IN GENERAL.—Any employee of the Office of Federal Housing Enterprise Oversight accepting employment with the Agency as a result of a transfer under subsection (a) may retain, for 12 months after the date on which such transfer occurs, membership in any employee benefit program of the Agency or the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development, as applicable, including insurance, to which such employee belongs on the date of the abolishment under section 1301(a), if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director of the Federal Housing Finance Agency.

(2) COST DIFFERENTIAL.—

(A) IN GENERAL.—The difference in the costs between the benefits which would have been provided by the Office of Federal Housing Enterprise Oversight and those provided by this section shall be paid by the Director.

(B) HEALTH INSURANCE.—If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Director, the employee shall be permitted to select an alternate Federal health insurance program not later than 30 days after the date of such election or notice, without regard to any other regularly scheduled open season.

SEC. 1304. TRANSFER OF PROPERTY AND FACILITIES.

Upon the effective date of its abolishment under section 1301(a), all property of the Office of Federal Housing Enterprise Oversight shall transfer to the Agency.

Subtitle B—Federal Housing Finance Board

SEC. 1311. ABOLISHMENT OF THE FEDERAL HOUSING FINANCE BOARD.

(a) IN GENERAL.—Effective at the end of the 1-year period beginning on the date of enactment of this Act, the Federal Housing Finance Board (in this subtitle referred to as the ''Board'') is abolished.

(b) DISPOSITION OF AFFAIRS.—During the 1-year period beginning on the date of enactment of this Act, the Board, solely for the purpose of winding up the affairs of the Board—

(1) shall manage the employees of the Board and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of such employee under section 1313; and

(2) may take any other action necessary for the purpose of winding up the affairs of the Board.

(c) STATUS OF EMPLOYEES BEFORE TRANSFER.—The amendments made by titles I and II and the abolishment of the Board under subsection (a) may not be construed to affect the status of any employee of the Board as an employee of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee under section 1313.

(d) USE OF PROPERTY AND SERVICES.—

(1) PROPERTY.—The Director may use the property of the Board to perform functions which have been transferred to the Director, for such time as is reasonable to facilitate the orderly transfer of functions transferred under any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Board before the expiration of the 1-year period under subsection (a) in connection with functions that are transferred to the Director shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(e) CONTINUATION OF SERVICES.—The Director may use the services of employees and other personnel of the Board, on a reimbursable basis, to perform functions which have been transferred to the Director for such time as is reasonable to facilitate the orderly transfer of functions pursuant to any other provision of this Act or any amendment made by this Act to any other provision of law.

(f) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, a member of the Board, or any other person, which—

(A) arises under the Federal Home Loan Bank Act, or any other provision of law applicable with respect to the Board; and

(B) existed on the day before the effective date of the abolishment under subsection (a).

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Board in connection with functions that are transferred under this Act to the Director shall abate by reason of the enactment of this Act, except that the Director shall be substituted for the Board or any member thereof as a party to any such action or proceeding.

SEC. 1312. CONTINUATION AND COORDINATION OF CERTAIN ACTIONS.

(a) IN GENERAL.—All regulations, orders, determinations, and resolutions described under subsection (b) shall remain in effect according to the terms of such regulations, orders, determinations, and resolutions, and shall be enforceable by or against the Director until modified, terminated, set aside, or superseded in accordance with applicable law by the Director, any court of competent jurisdiction, or operation of law.

(b) APPLICABILITY.—A regulation, order, determination, or resolution is described under this subsection if it—

(1) was issued, made, prescribed, or allowed to become effective by—

(A) the Board; or

(B) a court of competent jurisdiction, and relates to functions transferred by this Act; and

(2) is in effect on the effective date of the abolishment under section 1311(a).

SEC. 1313. TRANSFER AND RIGHTS OF EMPLOYEES OF THE FEDERAL HOUSING FINANCE BOARD.

(a) TRANSFER.—Each employee of the Board shall be transferred to the Agency for employment, not later than the effective date of the abolishment under section 1311(a), and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(b) GUARANTEED POSITIONS.—

(1) IN GENERAL.—Each employee transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer.

(2) NO INVOLUNTARY SEPARATION OR REDUCTION.—An employee holding a permanent position on the day immediately preceding the transfer may not be involuntarily separated or reduced in grade or compensation during the 12-month period beginning on the date of transfer, except for cause, or, if the employee is a temporary employee, separated in accordance with the terms of the appointment of the employee.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED EMPLOYEES.—

(1) IN GENERAL.—In the case of an employee occupying a position in the excepted service, any appointment authority established under law or by regulations of the Office of Personnel Management for filling such position shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director may decline a transfer of authority under paragraph (1), to the extent that such authority relates to a position excepted from

the competitive service because of its confidential, policymaking, policy-determining, or policy-advocating character.

(d) REORGANIZATION.—If the Director determines, after the end of the 1-year period beginning on the effective date of the abolishment under section 1311(a), that a reorganization of the combined workforce is required, that reorganization shall be deemed a major reorganization for purposes of affording affected employee retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—

(1) IN GENERAL.—Any employee of the Board accepting employment with the Agency as a result of a transfer under subsection (a) may retain, for 12 months after the date on which such transfer occurs, membership in any employee benefit program of the Agency or the Board, as applicable, including insurance, to which such employee belongs on the effective date of the abolishment under section 1311(a) if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director.

(2) COST DIFFERENTIAL.—

(A) IN GENERAL.—The difference in the costs between the benefits which would have been provided by the Board and those provided by this section shall be paid by the Director.

(B) HEALTH INSURANCE.—If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Director, the employee shall be permitted to select an alternate Federal health insurance program not later than 30 days after the date of such election or notice, without regard to any other regularly scheduled open season.

SEC. 1314. TRANSFER OF PROPERTY AND FACILITIES.

Upon the effective date of the abolishment under section 1311(a), all property of the Board shall transfer to the Agency.

TITLE IV—HOPE FOR HOMEOWNERS

SEC. 1401. SHORT TITLE.

This title may be cited as the ''HOPE for Homeowners Act of 2008''.

SEC. 1402. ESTABLISHMENT OF HOPE FOR HOMEOWNERS PROGRAM.

(a) ESTABLISHMENT.—Title II of the National Housing Act (12 U.S.C. 1707 et seq.) is amended by adding at the end the following:

''SEC. 257. HOPE FOR HOMEOWNERS PROGRAM.

''(a) ESTABLISHMENT.—There is established in the Federal Housing Administration a HOPE for Homeowners Program.

''(b) PURPOSE.—The purpose of the HOPE for Homeowners Program is—

''(1) to create an FHA program, participation in which is voluntary on the part of homeowners and existing loan holders to insure refinanced loans for distressed borrowers to support long-term, sustainable homeownership;

''(2) to allow homeowners to avoid foreclosure by reducing the principle balance outstanding, and interest rate charged, on their mortgages;

''(3) to help stabilize and provide confidence in mortgage markets by bringing transparency to the value of assets based on mortgage assets;

''(4) to target mortgage assistance under this section to homeowners for their principal residence;

''(5) to enhance the administrative capacity of the FHA to carry out its expanded role under the HOPE for Homeowners Program;

''(6) to ensure the HOPE for Homeowners Program remains in effect only for as long as is necessary to provide stability to the housing market; and

''(7) to provide servicers of delinquent mortgages with additional methods and approaches to avoid foreclosure.

''(c) ESTABLISHMENT AND IMPLEMENTATION OF PROGRAM REQUIREMENTS.—

''(1) DUTIES OF THE BOARD.—In order to carry out the purposes of the HOPE for Homeowners Program, the Board shall—

''(A) establish requirements and standards for the program; and

''(B) prescribe such regulations and provide such guidance as may be necessary or appropriate to implement such requirements and standards.

''(2) DUTIES OF THE SECRETARY.—In carrying out any of the program requirements or standards established under paragraph (1), the Secretary may issue such interim guidance and mortgagee letters as the Secretary determines necessary or appropriate.

''(d) INSURANCE OF MORTGAGES.—The Secretary is authorized upon application of a mortgagee to make commitments to insure or to insure any eligible mortgage that has been refinanced in a manner meeting the requirements under subsection (e).

''(e) REQUIREMENTS OF INSURED MORTGAGES.—To be eligible for insurance under this section, a refinanced eligible mortgage shall comply with all of the following requirements:

''(1) LACK OF CAPACITY TO PAY EXISTING MORTGAGE.—

''(A) BORROWER CERTIFICATION.—

''(i) IN GENERAL.—The mortgagor shall provide certification to the Secretary that the mortgagor has not intentionally defaulted on the mortgage or any other debt, and has not knowingly, or willfully and with actual knowledge, furnished material information known to be false for the purpose of obtaining any eligible mortgage.

''(ii) PENALTIES.—

''(I) FALSE STATEMENT.—Any certification filed pursuant to clause (i) shall contain an acknowledgment that any willful false statement made in such certification is punishable under section 1001, of title 18, United States Code, by fine or imprisonment of not more than 5 years, or both.

''(II) LIABILITY FOR REPAYMENT.—The mortgagor shall agree in writing that the mortgagor shall be liable to repay to the Federal Housing Administration any direct financial benefit achieved from the reduction of indebtedness on the existing mortgage or mortgages on the residence refinanced under this section derived from misrepresentations made in the certifications and documentation required under this subparagraph, subject to the discretion of the Secretary.

''(B) CURRENT BORROWER DEBT-TO-INCOME RATIO.—As of March 1, 2008, the mortgagor shall have had a ratio of mortgage debt to income, taking into consideration all existing mortgages of that mortgagor at such time, greater than 31 percent (or such higher amount as the Board determines appropriate).

''(2) DETERMINATION OF PRINCIPAL OBLIGATION AMOUNT.—The principal obligation amount of the refinanced eligible mortgage to be insured shall—

''(A) be determined by the reasonable ability of the mortgagor to make his or her mortgage payments, as such ability is determined by the Secretary pursuant to section 203(b)(4) or by any other underwriting standards established by the Board; and

''(B) not exceed 90 percent of the appraised value of the property to which such mortgage relates.

''(3) REQUIRED WAIVER OF PREPAYMENT PENALTIES AND FEES.—All penalties for prepayment or refinancing of the eligible mortgage, and all fees and penalties related to default or delinquency on the eligible mortgage, shall be waived or forgiven.

''(4) EXTINGUISHMENT OF SUBORDINATE LIENS.—

''(A) REQUIRED AGREEMENT.—All holders of outstanding mortgage liens on the property to which the eligible mortgage relates shall agree to accept the proceeds of the insured loan as payment in full of all indebtedness under the eligible mortgage, and all encumbrances related to such eligible mortgage shall be removed. The Secretary may take such actions, subject to standards established by the Board under subparagraph (B), as may be necessary and appropriate to facilitate coordination and agreement between the holders of the existing senior mortgage and any existing subordinate mortgages, taking into consideration the subordinate lien status of such subordinate mortgages.

''(B) SHARED APPRECIATION.—

''(i) IN GENERAL.—The Board shall establish standards and policies that will allow for the payment to the holder of any existing subordinate mortgage of a portion of any future appreciation in the property secured by such eligible mortgage that is owed to the Secretary pursuant to subsection (k).

''(ii) FACTORS.—In establishing the standards and policies required under clause (i), the Board shall take into consideration—

''(I) the status of any subordinate mortgage;

''(II) the outstanding principal balance of and accrued interest on the existing senior mortgage and any outstanding subordinate mortgages;

''(III) the extent to which the current appraised value of the property securing a subordinate mortgage is less than the outstanding principal balance and accrued interest on any other liens that are senior to such subordinate mortgage; and

''(IV) such other factors as the Board determines to be appropriate.

''(C) VOLUNTARY PROGRAM.—This paragraph may not be construed to require any holder of any existing mortgage to participate in the program under this section generally, or with respect to any particular loan.

''(5) TERM OF MORTGAGE.—The refinanced eligible mortgage to be insured shall—

''(A) bear interest at a single rate that is fixed for the entire term of the mortgage; and

''(B) have a maturity of not less than 30 years from the date of the beginning of amortization of such refinanced eligible mortgage.

''(6) MAXIMUM LOAN AMOUNT.—The principal obligation amount of the eligible mortgage to be insured shall not exceed 132 percent of the dollar amount limitation in effect for 2007 under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a property of the applicable size.

''(7) PROHIBITION ON SECOND LIENS.—A mortgagor may not grant a new second lien on the mortgaged property during the first 5 years of the term of the mortgage insured under this section.

''(8) APPRAISALS.—Any appraisal conducted in connection with a mortgage insured under this section shall—

''(A) be based on the current value of the property;

''(B) be conducted in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.);

''(C) be completed by an appraiser who meets the competency requirements of the Uniform Standards of Professional Appraisal Practice;

''(D) be wholly consistent with the appraisal standards, practices, and procedures under section 202(e) of this Act that apply to all loans insured under this Act; and

''(E) comply with the requirements of subsection (g) of this section (relating to appraisal independence).

''(9) DOCUMENTATION AND VERIFICATION OF INCOME.—In complying with the FHA underwriting requirements under the HOPE for Homeowners Program under this section, the mortgagee under the mortgage shall document and verify the income of the mortgagor by procuring an Internal Revenue Service transcript of the income tax returns of the mortgagor for the 2 most recent years for which the filing deadline for such years has passed and by any other method, in accordance with procedures and standards that the Board or the Secretary shall establish.

''(10) MORTGAGE FRAUD.—The mortgagor shall not have been convicted under any provision of Federal or State law for fraud, including mortgage fraud.

''(11) PRIMARY RESIDENCE.—The mortgagor shall provide documentation satisfactory in the determination of the Secretary to prove that the residence covered by the mortgage to be insured under this section is occupied by the mortgagor as the primary residence of the mortgagor, and that such residence is the only residence in which the mortgagor has any present ownership interest.

''(f) STUDY OF AUCTION OR BULK REFINANCE PROGRAM.—

''(1) STUDY.—The Board shall conduct a study of the need for and efficacy of an auction or bulk refinancing mechanism to facilitate refinancing of existing residential mortgages that are at risk for foreclosure into mortgages insured under this section. The study shall identify and examine various options for mechanisms under which lenders and servicers of such mortgages may make bids for forward commitments for such insurance in an expedited manner.

''(2) CONTENT.—

''(A) ANALYSIS.—The study required under paragraph (1) shall analyze—

''(i) the feasibility of establishing a mechanism that would facilitate the more rapid refinancing of borrowers at risk of foreclosure into performing mortgages insured under this section;

''(ii) whether such a mechanism would provide an effective and efficient mechanism to reduce foreclosures on qualified existing mortgages;

''(iii) whether the use of an auction or bulk refinance program is necessary to stabilize the housing market and reduce the impact of turmoil in that market on the economy of the United States;

''(iv) whether there are other mechanisms or authority that would be useful to reduce foreclosure; and

''(v) and any other factors that the Board considers relevant.

''(B) DETERMINATIONS.—To the extent that the Board finds that a facility of the type described in subparagraph (A) is feasible and useful, the study shall—

''(i) determine and identify any additional authority or resources needed to establish and operate such a mechanism;

''(ii) determine whether there is a need for additional authority with respect to the loan underwriting criteria established in this section or with respect to eligibility of participating borrowers, lenders, or holders of liens;

''(iii) determine whether such underwriting criteria should be established on the basis of individual loans, in the aggregate, or otherwise to facilitate the goal of refinancing borrowers at risk of foreclosure into viable loans insured under this section.

''(3) REPORT.—Not later than the expiration of the 60-day period beginning on the date of the enactment of this section, the Board shall submit a report regarding the results of the study conducted under this subsection to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate. The report shall include a detailed description of the analysis required under paragraph (2)(A) and of the determinations made pursuant to paragraph (2)(B), and shall include any other findings and recommendations of the Board pursuant to the study, including identifying various options for mechanisms described in paragraph (1).

''(g) APPRAISAL INDEPENDENCE.—

''(1) PROHIBITIONS ON INTERESTED PARTIES IN A REAL ESTATE TRANSACTION.—No mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, nor any other person with an interest in a real estate transaction involving an appraisal in connection with a mortgage insured under this section shall improperly influence, or attempt to improperly influence, through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, nonpayment for services rendered, or bribery, the development, reporting, result, or review of a real estate appraisal sought in connection with the mortgage.

''(2) CIVIL MONETARY PENALTIES.—The Secretary may impose a civil money penalty for any knowing and material violation of paragraph (1) under the same terms and conditions as are authorized in section 536(a) of this Act.

''(h) STANDARDS TO PROTECT AGAINST ADVERSE SELECTION.—

''(1) IN GENERAL.—The Board shall, by rule or order, establish standards and policies to require the underwriter of the insured loan to provide such representations and warranties as the Board considers necessary or appropriate to enforce compliance with all underwriting and appraisal standards of the HOPE for Homeowners Program.

''(2) EXCLUSION FOR VIOLATIONS.—The Board shall prohibit the Secretary from paying insurance benefits to a mortgagee who violates the representations and warranties, as established under paragraph (1), or in any case in which a mortgagor fails to make the first payment on a refinanced eligible mortgage.

''(3) OTHER AUTHORITY.—The Board may establish such other standards or policies as necessary to protect against adverse selection, including requiring loans identified by the Secretary as higher risk loans to demonstrate payment performance for a reasonable period of time prior to being insured under the program.

''(i) PREMIUMS.—For each refinanced eligible mortgage insured under this section, the Secretary shall establish and collect—

''(1) at the time of insurance, a single premium payment in an amount equal to 3 percent of the amount of the original insured principal obligation of the refinanced eligible mortgage, which shall be paid from the proceeds of the mortgage being insured under this section, through the reduction of the amount of indebtedness that existed on the eligible mortgage prior to refinancing; and

''(2) in addition to the premium required under paragraph (1), an annual premium in an amount equal to 1.5 percent of the amount of the remaining insured principal balance of the mortgage.

''(j) ORIGINATION FEES AND INTEREST RATE.—The Board shall establish—

''(1) a reasonable limitation on origination fees for refinanced eligible mortgages insured under this section; and

''(2) procedures to ensure that interest rates on such mortgages shall be commensurate with market rate interest rates on such types of loans.

''(k) EQUITY AND APPRECIATION.—

''(1) FIVE-YEAR PHASE-IN FOR EQUITY AS A RESULT OF SALE OR REFINANCING.—For each eligible mortgage insured under this section, the Secretary and the mortgagor of such mortgage shall, upon any sale or disposition of the property to which such mortgage relates, or upon the subsequent refinancing of such mortgage, be entitled to the following with respect to any equity created as a direct result of such sale or refinancing:

''(A) If such sale or refinancing occurs during the period that begins on the date that such mortgage is insured and ends 1 year after such date of insurance, the Secretary shall be entitled to 100 percent of such equity.

''(B) If such sale or refinancing occurs during the period that begins 1 year after such date of insurance and ends 2 years after such date of insurance, the Secretary shall be entitled to 90 percent of such equity and the mortgagor shall be entitled to 10 percent of such equity.

''(C) If such sale or refinancing occurs during the period that begins 2 years after such date of insurance and ends 3 years after such date of insurance, the Secretary shall be entitled to 80 percent of such equity and the mortgagor shall be entitled to 20 percent of such equity.

''(D) If such sale or refinancing occurs during the period that begins 3 years after such date of insurance and ends 4 years after such date of insurance, the Secretary shall be entitled to 70 percent of such equity and the mortgagor shall be entitled to 30 percent of such equity.

''(E) If such sale or refinancing occurs during the period that begins 4 years after such date of insurance and ends 5 years after such date of insurance, the Secretary shall be entitled to 60 percent of such equity and the mortgagor shall be entitled to 40 percent of such equity.

''(F) If such sale or refinancing occurs during any period that begins 5 years after such date of insurance, the Secretary shall be entitled to 50 percent of such equity and the mortgagor shall be entitled to 50 percent of such equity.

''(2) APPRECIATION IN VALUE.—For each eligible mortgage insured under this section, the Secretary and the mortgagor of such mortgage shall, upon any sale or disposition of the property to which such mortgage relates, each be entitled to 50 percent of any appreciation in value of the appraised value of such property that has occurred since the date that such mortgage was insured under this section.

''(l) ESTABLISHMENT OF HOPE FUND.—

''(1) IN GENERAL.—There is established in the Federal Housing Administration a revolving fund to be known as the Home Ownership Preservation Entity Fund, which shall be used by the Board for carrying out the mortgage insurance obligations under this section.

''(2) MANAGEMENT OF FUND.—The HOPE Fund shall be administered and managed by the Secretary, who shall establish reasonable and prudent criteria for the management and operation of any amounts in the HOPE Fund.

''(m) LIMITATION ON AGGREGATE INSURANCE AUTHORITY.—The aggregate original principal obligation of all mortgages insured under this section may not exceed $300,000,000,000.

''(n) REPORTS BY THE BOARD.—The Board shall submit monthly reports to the Congress identifying the progress of the HOPE for Homeowners Program, which shall contain the following information for each month:

''(1) The number of new mortgages insured under this section, including the location of the properties subject to such mortgages by census tract.

''(2) The aggregate principal obligation of new mortgages insured under this section.

''(3) The average amount by which the principle balance outstanding on mortgages insured this section was reduced.

''(4) The amount of premiums collected for insurance of mortgages under this section.

''(5) The claim and loss rates for mortgages insured under this section.

''(6) Any other information that the Board considers appropriate.

''(o) REQUIRED OUTREACH EFFORTS.—The Secretary shall carry out outreach efforts to ensure that homeowners, lenders, and the general public are aware of the opportunities for assistance available under this section.

''(p) ENHANCEMENT OF FHA CAPACITY.—Under the direction of the Board, the Secretary shall take such actions as may be necessary to—

''(1) contract for the establishment of underwriting criteria, automated underwriting systems, pricing standards, and other factors relating to eligibility for mortgages insured under this section;

''(2) contract for independent quality reviews of underwriting, including appraisal reviews and fraud detection, of mortgages insured under this section or pools of such mortgages; and

''(3) increase personnel of the Department as necessary to process or monitor the processing of mortgages insured under this section.

''(q) GNMA COMMITMENT AUTHORITY.—

''(1) GUARANTEES.—The Secretary shall take such actions as may be necessary to ensure that securities based on and backed by a trust or pool composed of mortgages insured under this section are available to be guaranteed by the Government National Mortgage Association as to the timely payment of principal and interest.

''(2) GUARANTEE AUTHORITY.—To carry out the purposes of section 306 of the National Housing Act (12 U.S.C. 1721), the Government National Mortgage Association may enter into new commitments to issue guarantees of securities based on or backed by mortgages insured under this section, not exceeding $300,000,000,000. The amount of authority provided under the preceding sentence to enter into new commitments to issue guarantees is in addition to any amount of authority to make new commitments to issue guarantees that is provided to the Association under any other provision of law.

''(r) SUNSET.—The Secretary may not enter into any new commitment to insure any refinanced eligible mortgage, or newly insure any refinanced eligible mortgage pursuant to this section before October 1, 2008 or after September 30, 2011.

''(s) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) APPROVED FINANCIAL INSTITUTION OR MORTGAGEE.—The term 'approved financial institution or mortgagee' means a financial institution or mortgagee approved by the Secretary under section 203 as responsible and able to service mortgages responsibly.

''(2) BOARD.—The term 'Board' means the Board of Directors of the HOPE for Homeowners Program. The Board shall be composed of the Secretary, the Secretary of the Treasury, the Chairperson of the Board of Governors of the Federal Reserve System, and the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation.

''(3) ELIGIBLE MORTGAGE.—The term 'eligible mortgage' means a mortgage—

''(A) the mortgagor of which—

''(i) occupies such property as his or her principal residence; and

''(ii) cannot, subject to subsection (e)(1)(B) and such other standards established by the Board, afford his or her mortgage payments; and

''(B) originated on or before January 1, 2008.

''(4) EXISTING SENIOR MORTGAGE.—The term 'existing senior mortgage' means, with respect to a mortgage insured under this section, the existing mortgage that has superior priority.

''(5) EXISTING SUBORDINATE MORTGAGE.—The term 'existing subordinate mortgage' means, with respect to a mortgage insured under this section, an existing mortgage that has subordinate priority to the existing senior mortgage.

''(6) HOPE FOR HOMEOWNERS PROGRAM.—The term 'HOPE for Homeowners Program' means the program established under this section.

''(7) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development, except where specifically provided otherwise.

''(t) REQUIREMENTS RELATED TO THE BOARD.—

''(1) COMPENSATION, ACTUAL, NECESSARY, AND TRANSPORTATION EXPENSES.—

''(A) FEDERAL EMPLOYEES.—A member of the Board who is an officer or employee of the Federal Government shall serve without additional pay (or benefits in the nature of compensation) for service as a member of the Board.

''(B) TRAVEL EXPENSES.—Members of the Board shall be entitled to receive travel expenses, including per diem in lieu of subsistence, equivalent to those set forth in subchapter I of chapter 57 of title 5, United States Code.

''(2) BYLAWS.—The Board may prescribe, amend, and repeal such bylaws as may be necessary for carrying out the functions of the Board.

''(3) QUORUM.—A majority of the Board shall constitute a quorum.

''(4) STAFF; EXPERTS AND CONSULTANTS.—

''(A) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Board, any Federal Government employee may be detailed to the Board without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

''(B) EXPERTS AND CONSULTANTS.—The Board shall procure the services of experts and consultants as the Board considers appropriate.

''(u) RULE OF CONSTRUCTION RELATED TO VOLUNTARY NATURE OF THE PROGRAM.—This section shall not be construed to require that any approved financial institution or mortgagee participate in any activity authorized under this section, including any activity related to the refinancing of an eligible mortgage.

''(v) RULE OF CONSTRUCTION RELATED TO INSURANCE OF MORTGAGES.—Except as otherwise provided for in this section or by action of the Board, the provisions and requirements of section 203(b) shall apply with respect to the insurance of any eligible mortgage under this section.

''(w) HOPE BONDS.—

''(1) ISSUANCE AND REPAYMENT OF BONDS.—Notwithstanding section 504(b) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661d(b)), the Secretary of the Treasury shall—

''(A) subject to such terms and conditions as the Secretary of the Treasury deems necessary, issue Federal credit instruments, to be known as 'HOPE Bonds', that are callable at the discretion of the Secretary of the Treasury and do not, in the aggregate, exceed the amount specified in subsection (m);

''(B) provide the subsidy amounts necessary for loan guarantees under the HOPE for Homeowners Program, not to exceed the amount specified in subsection (m), in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), except as provided in this paragraph; and

''(C) use the proceeds from HOPE Bonds only to pay for the net costs to the Federal Government of the HOPE for Homeowners Program, including administrative costs.

''(2) REIMBURSEMENTS TO TREASURY.—Funds received pursuant to section 1338(b) of the Federal Housing Enterprises Regulatory Reform Act of 1992 shall be used to reimburse the Secretary of the Treasury for amounts borrowed under paragraph (1).

''(3) USE OF RESERVE FUND.—If the net cost to the Federal Government for the HOPE for Homeowners Program exceeds the amount of funds received under paragraph (2), remaining debts of the HOPE for Homeowners Program shall be paid from amounts deposited into the fund established by the Secretary under section 1337(e) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, remaining amounts in such fund to be used to reduce the National debt.

''(4) REDUCTION OF NATIONAL DEBT.—Amounts collected under the HOPE for Homeowners Program in accordance with subsections (i) and (k) in excess of the net cost to the Federal Government for such Program shall be used to reduce the National debt.''.

SEC. 1403. FIDUCIARY DUTY OF SERVICERS OF POOLED RESIDENTIAL MORTGAGE LOANS.

The Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended by inserting after section 129 the following new section:

''SEC. 129A. FIDUCIARY DUTY OF SERVICERS OF POOLED RESIDENTIAL MORTGAGES.

''(a) IN GENERAL.—Except as may be established in any investment contract between a servicer of pooled residential mortgages and an investor, a servicer of pooled residential mortgages—

''(1) owes any duty to maximize the net present value of the pooled mortgages in an investment to all investors and parties having a direct or indirect interest in such investment, not to any individual party or group of parties; and

''(2) shall be deemed to act in the best interests of all such investors and parties if the servicer agrees to or implements a modification or workout plan, including any modification or refinancing undertaken pursuant to the HOPE for Homeowners Act of 2008, for a residential mortgage or a class of residential mortgages that constitute a part or all of the pooled mortgages in such investment, provided that any mortgage so modified meets the following criteria:

''(A) Default on the payment of such mortgage has occurred or is reasonably foreseeable.

''(B) The property securing such mortgage is occupied by the mortgagor of such mortgage.

''(C) The anticipated recovery on the principal outstanding obligation of the mortgage under the modification or workout plan exceeds, on a net present value basis, the anticipated recovery on the principal outstanding obligation of the mortgage through foreclosure.

''(b) DEFINITION.—As used in this section, the term 'servicer' has the same meaning as in section 6(i)(2) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)(2)).''.

SEC. 1404. REVISED STANDARDS FOR FHA APPRAISERS.

Section 202(e) of the National Housing Act (12 U.S.C. 1708(e)) is amended by adding at the end the following:

''(5) ADDITIONAL APPRAISER STANDARDS.—Beginning on the date of enactment of the

Federal Housing Finance Regulatory Reform Act of 2008, any appraiser chosen or approved to conduct appraisals for mortgages under this title shall—

''(A) be certified—

''(i) by the State in which the property to be appraised is located; or

''(ii) by a nationally recognized professional appraisal organization; and

''(B) have demonstrated verifiable education in the appraisal requirements established by the Federal Housing Administration under this subsection.''.

TITLE V—S.A.F.E. MORTGAGE LICENSING ACT

SEC. 1501. SHORT TITLE.

This title may be cited as the ''Secure and Fair Enforcement for Mortgage Licensing Act of 2008'' or ''S.A.F.E. Mortgage Licensing Act of 2008''.

SEC. 1502. PURPOSES AND METHODS FOR ESTABLISHING A MORTGAGE LICENSING SYSTEM AND REGISTRY.

In order to increase uniformity, reduce regulatory burden, enhance consumer protection, and reduce fraud, the States, through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, are hereby encouraged to establish a Nationwide Mortgage Licensing System and Registry for the residential mortgage industry that accomplishes all of the following objectives:

(1) Provides uniform license applications and reporting requirements for State-licensed loan originators.

(2) Provides a comprehensive licensing and supervisory database.

(3) Aggregates and improves the flow of information to and between regulators.

(4) Provides increased accountability and tracking of loan originators.

(5) Streamlines the licensing process and reduces the regulatory burden.

(6) Enhances consumer protections and supports anti-fraud measures.

(7) Provides consumers with easily accessible information, offered at no charge, utilizing electronic media, including the Internet, regarding the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators.

(8) Establishes a means by which residential mortgage loan originators would, to the greatest extent possible, be required to act in the best interests of the consumer.

(9) Facilitates responsible behavior in the subprime mortgage market place and provides comprehensive training and examination requirements related to subprime mortgage lending.

(10) Facilitates the collection and disbursement of consumer complaints on behalf of State and Federal mortgage regulators.

SEC. 1503. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) FEDERAL BANKING AGENCIES.—The term ''Federal banking agencies'' means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the National Credit Union Administration, and the Federal Deposit Insurance Corporation.

(2) DEPOSITORY INSTITUTION.—The term ''depository institution'' has the same meaning as in section 3 of the Federal Deposit Insurance Act, and includes any credit union.

(3) LOAN ORIGINATOR.—

(A) IN GENERAL.—The term ''loan originator''—

(i) means an individual who—

(I) takes a residential mortgage loan application; and

(II) offers or negotiates terms of a residential mortgage loan for compensation or gain;

(ii) does not include any individual who is not otherwise described in clause (i) and who performs purely administrative or clerical tasks on behalf of a person who is described in any such clause;

(iii) does not include a person or entity that only performs real estate brokerage activities and is licensed or registered in accordance with applicable State law, unless the person or entity is compensated by a lender, a mortgage broker, or other loan originator or by any agent of such lender, mortgage broker, or other loan originator; and

(iv) does not include a person or entity solely involved in extensions of credit relating to timeshare plans, as that term is defined in section 101(53D) of title 11, United States Code.

(B) OTHER DEFINITIONS RELATING TO LOAN ORIGINATOR.—For purposes of this subsection, an individual ''assists a consumer in obtaining or applying to obtain a residential mortgage loan'' by, among other things, advising on loan terms (including rates, fees, other costs), preparing loan packages, or collecting information on behalf of the consumer with regard to a residential mortgage loan.

(C) ADMINISTRATIVE OR CLERICAL TASKS.—The term ''administrative or clerical tasks'' means the receipt, collection, and distribution of information common for the processing or underwriting of a loan in the mortgage industry and communication with a consumer to obtain information necessary for the processing or underwriting of a residential mortgage loan.

(D) REAL ESTATE BROKERAGE ACTIVITY DEFINED.—The term ''real estate brokerage activity'' means any activity that involves offering or providing real estate brokerage services to the public, including—

(i) acting as a real estate agent or real estate broker for a buyer, seller, lessor, or lessee of real property;

(ii) bringing together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(iii) negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property (other than in connection with providing financing with respect to any such transaction);

(iv) engaging in any activity for which a person engaged in the activity is required to be registered or licensed as a real estate agent or real estate broker under any applicable law; and

(v) offering to engage in any activity, or act in any capacity, described in clause (i), (ii), (iii), or (iv).

(4) LOAN PROCESSOR OR UNDERWRITER.—

(A) IN GENERAL.—The term ''loan processor or underwriter'' means an individual who performs clerical or support duties at the direction of and subject to the supervision and instruction of—

(i) a State-licensed loan originator; or

(ii) a registered loan originator.

(B) CLERICAL OR SUPPORT DUTIES.—For purposes of subparagraph (A), the term ''clerical or support duties'' may include—

(i) the receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan; and

(ii) communicating with a consumer to obtain the information necessary for the processing or underwriting of a loan, to the extent that such communication does not include offering or negotiating loan rates or terms, or counseling consumers about residential mortgage loan rates or terms.

(5) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY.—The term ''Nationwide Mortgage Licensing System and Registry'' means a mortgage licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators for the State licensing and registration of State-licensed loan originators and the registration of registered loan originators or any system established by the Secretary under section 1509.

(6) NONTRADITIONAL MORTGAGE PRODUCT.—The term ''nontraditional mortgage product'' means any mortgage product other than a 30-year fixed rate mortgage.

(7) REGISTERED LOAN ORIGINATOR.—The term ''registered loan originator'' means any individual who—

(A) meets the definition of loan originator and is an employee of—

(i) a depository institution;

(ii) a subsidiary that is—

(I) owned and controlled by a depository institution; and

(II) regulated by a Federal banking agency; or

(iii) an institution regulated by the Farm Credit Administration; and

(B) is registered with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(8) RESIDENTIAL MORTGAGE LOAN.—The term ''residential mortgage loan'' means any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling (as defined in section 103(v) of the Truth in Lending Act) or residential real estate upon which is constructed or intended to be constructed a dwelling (as so defined).

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(10) STATE-LICENSED LOAN ORIGINATOR.—The term ''State-licensed loan originator'' means any individual who—

(A) is a loan originator;

(B) is not an employee of—

(i) a depository institution;

(ii) a subsidiary that is—

(I) owned and controlled by a depository institution; and

(II) regulated by a Federal banking agency; or

(iii) an institution regulated by the Farm Credit Administration; and

(C) is licensed by a State or by the Secretary under section 1508 and registered as a loan originator with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(11) UNIQUE IDENTIFIER.—

(A) IN GENERAL.—The term ''unique identifier'' means a number or other identifier that—

(i) permanently identifies a loan originator;

(ii) is assigned by protocols established by the Nationwide Mortgage Licensing System and Registry and the Federal banking agencies to facilitate electronic tracking of loan originators and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against loan originators; and

(iii) shall not be used for purposes other than those set forth under this title.

(B) RESPONSIBILITY OF STATES.—To the greatest extent possible and to accomplish the purpose of this title, States shall use unique identifiers in lieu of social security numbers.

SEC. 1504. LICENSE OR REGISTRATION REQUIRED.

(a) IN GENERAL.—An individual may not engage in the business of a loan originator without first—

(1) obtaining, and maintaining annually—

(A) a registration as a registered loan originator; or

(B) a license and registration as a State-licensed loan originator; and

(2) obtaining a unique identifier.

(b) LOAN PROCESSORS AND UNDERWRITERS.—

(1) SUPERVISED LOAN PROCESSORS AND UNDERWRITERS.—A loan processor or underwriter who does not represent to the public, through advertising or other means of communicating or providing information (including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items), that such individual can or will perform any of the activities of a loan originator shall not be required to be a State-licensed loan originator.

(2) INDEPENDENT CONTRACTORS.—An independent contractor may not engage in residential mortgage loan origination activities as a loan processor or underwriter unless such independent contractor is a State-licensed loan originator.

SEC. 1505. STATE LICENSE AND REGISTRATION APPLICATION AND ISSUANCE.

(a) BACKGROUND CHECKS.—In connection with an application to any State for licensing and registration as a State-licensed loan originator, the applicant shall, at a minimum, furnish to the Nationwide Mortgage Licensing System and Registry information concerning the applicant's identity, including—

(1) fingerprints for submission to the Federal Bureau of Investigation, and any governmental agency or entity authorized to receive such information for a State and national criminal history background check; and

(2) personal history and experience, including authorization for the System to obtain—

(A) an independent credit report obtained from a consumer reporting agency described in section 603(p) of the Fair Credit Reporting Act; and

(B) information related to any administrative, civil or criminal findings by any governmental jurisdiction.

(b) ISSUANCE OF LICENSE.—The minimum standards for licensing and registration as a State-licensed loan originator shall include the following:

(1) The applicant has never had a loan originator license revoked in any governmental jurisdiction.

(2) The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign, or military court—

(A) during the 7-year period preceding the date of the application for licensing and registration; or

(B) at any time preceding such date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.

(3) The applicant has demonstrated financial responsibility, character, and general fitness such as to command the confidence of the community and to warrant a determination that the loan originator will operate honestly, fairly, and efficiently within the purposes of this title.

(4) The applicant has completed the pre-licensing education requirement described in subsection (c).

(5) The applicant has passed a written test that meets the test requirement described in subsection (d).

(6) The applicant has met either a net worth or surety bond requirement, as required by the State pursuant to section 1508(d)(6).

(c) PRE-LICENSING EDUCATION OF LOAN ORIGINATORS.—

(1) MINIMUM EDUCATIONAL REQUIREMENTS.—In order to meet the pre-licensing education requirement referred to in subsection (b)(4), a person shall complete at least 20 hours of education approved in accordance with paragraph (2), which shall include at least—

(A) 3 hours of Federal law and regulations;

(B) 3 hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues; and

(C) 2 hours of training related to lending standards for the nontraditional mortgage product marketplace.

(2) APPROVED EDUCATIONAL COURSES.—For purposes of paragraph (1), pre-licensing education courses shall be reviewed, and approved by the Nationwide Mortgage Licensing System and Registry.

(3) LIMITATION AND STANDARDS.—

(A) LIMITATION.—To maintain the independence of the approval process, the Nationwide Mortgage Licensing System and Registry shall not directly or indirectly offer pre-licensure educational courses for loan originators.

(B) STANDARDS.—In approving courses under this section, the Nationwide Mortgage Licensing System and Registry shall apply reasonable standards in the review and approval of courses.

(d) TESTING OF LOAN ORIGINATORS.—

(1) IN GENERAL.—In order to meet the written test requirement referred to in subsection (b)(5), an individual shall pass, in accordance with the standards established under this subsection, a qualified written test developed by the Nationwide Mortgage Licensing System and Registry and administered by an approved test provider.

(2) QUALIFIED TEST.—A written test shall not be treated as a qualified written test for purposes of paragraph (1) unless the test adequately measures the applicant's knowledge and comprehension in appropriate subject areas, including—

(A) ethics;

(B) Federal law and regulation pertaining to mortgage origination;

(C) State law and regulation pertaining to mortgage origination;

(D) Federal and State law and regulation, including instruction on fraud, consumer protection, the nontraditional mortgage marketplace, and fair lending issues.

(3) MINIMUM COMPETENCE.—

(A) PASSING SCORE.—An individual shall not be considered to have passed a qualified written test unless the individual achieves a test score of not less than 75 percent correct answers to questions.

(B) INITIAL RETESTS.—An individual may retake a test 3 consecutive times with each consecutive taking occurring at least 30 days after the preceding test.

(C) SUBSEQUENT RETESTS.—After failing 3 consecutive tests, an individual shall wait at least 6 months before taking the test again.

(D) RETEST AFTER LAPSE OF LICENSE.—A State-licensed loan originator who fails to maintain a valid license for a period of 5 years or longer shall retake the test, not taking into account any time during which such individual is a registered loan originator.

(e) MORTGAGE CALL REPORTS.—Each mortgage licensee shall submit to the Nationwide Mortgage Licensing System and Registry reports of condition, which shall be in such form and shall contain such information as the Nationwide Mortgage Licensing System and Registry may require.

SEC. 1506. STANDARDS FOR STATE LICENSE RENEWAL.

(a) IN GENERAL.—The minimum standards for license renewal for State-licensed loan originators shall include the following:

(1) The loan originator continues to meet the minimum standards for license issuance.

(2) The loan originator has satisfied the annual continuing education requirements described in subsection (b).

(b) CONTINUING EDUCATION FOR STATE-LICENSED LOAN ORIGINATORS.—

(1) IN GENERAL.—In order to meet the annual continuing education requirements referred to in subsection (a)(2), a State-licensed loan originator shall complete at least 8 hours of education approved in accordance with paragraph (2), which shall include at least—

(A) 3 hours of Federal law and regulations;

(B) 2 hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues; and

(C) 2 hours of training related to lending standards for the nontraditional mortgage product marketplace.

(2) APPROVED EDUCATIONAL COURSES.—For purposes of paragraph (1), continuing education courses shall be reviewed, and approved by the Nationwide Mortgage Licensing System and Registry.

(3) CALCULATION OF CONTINUING EDUCATION CREDITS.—A State-licensed loan originator—

(A) may only receive credit for a continuing education course in the year in which the course is taken; and

(B) may not take the same approved course in the same or successive years to meet the annual requirements for continuing education.

(4) INSTRUCTOR CREDIT.—A State-licensed loan originator who is approved as an instructor of an approved continuing education course may receive credit for the originator's own annual continuing education requirement at the rate of 2 hours credit for every 1 hour taught.

(5) LIMITATION AND STANDARDS.—

(A) LIMITATION.—To maintain the independence of the approval process, the Nationwide Mortgage Licensing System and Registry shall not directly or indirectly offer any continuing education courses for loan originators.

(B) STANDARDS.—In approving courses under this section, the Nationwide Mortgage Licensing System and Registry shall apply reasonable standards in the review and approval of courses.

SEC. 1507. SYSTEM OF REGISTRATION ADMINISTRATION BY FEDERAL AGENCIES.

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Federal banking agencies shall jointly, through the Federal Financial Institutions Examination Council, and together with the Farm Credit Administration, develop and maintain a system for registering employees of a depository institution, employees of a subsidiary that is owned and controlled by a depository institution and regulated by a Federal banking agency, or employees of an institution regulated by the Farm Credit Administration, as registered loan originators with the Nationwide Mortgage Licensing System and Registry. The system shall be implemented before the end of the 1-year period beginning on the date of enactment of this title.

(2) REGISTRATION REQUIREMENTS.—In connection with the registration of any loan originator under this subsection, the appropriate Federal banking agency and the Farm Credit Administration shall, at a minimum, furnish or cause to be furnished to the Nationwide Mortgage Licensing System and Registry information concerning the employees's identity, including—

(A) fingerprints for submission to the Federal Bureau of Investigation, and any governmental agency or entity authorized to receive such information for a State and national criminal history background check; and

(B) personal history and experience, including authorization for the Nationwide Mortgage Licensing System and Registry to obtain information related to any administrative, civil or criminal findings by any governmental jurisdiction.

(b) COORDINATION.—

(1) UNIQUE IDENTIFIER.—The Federal banking agencies, through the Financial Institutions Examination Council, and the Farm Credit Administration shall coordinate with the Nationwide Mortgage Licensing System and Registry to establish protocols for assigning a unique identifier to each registered loan originator that will facilitate electronic tracking and uniform identification of, and public access to, the employment history of and publicly adjudicated disciplinary and enforcement actions against loan originators.

(2) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY DEVELOPMENT.—To facilitate the transfer of information required by subsection (a)(2), the Nationwide Mortgage Licensing System and Registry shall coordinate with the Federal banking agencies, through the Financial Institutions Examination Council, and the Farm Credit Administration concerning the development and operation, by such System and Registry, of the registration functionality and data requirements for loan originators.

(c) CONSIDERATION OF FACTORS AND PROCEDURES.—In establishing the registration procedures under subsection (a) and the protocols for assigning a unique identifier to a registered loan originator, the Federal banking agencies shall make such de minimis exceptions as may be appropriate to paragraphs (1)(A) and (2) of section 1504(a), shall make reasonable efforts to utilize existing information to minimize the burden of registering loan originators, and shall consider methods for automating the process to the greatest extent practicable consistent with the purposes of this title.

SEC. 1508. SECRETARY OF HOUSING AND URBAN DEVELOPMENT BACKUP AUTHORITY TO ESTABLISH A LOAN ORIGINATOR LICENSING SYSTEM.

(a) BACKUP LICENSING SYSTEM.—If, by the end of the 1-year period, or the 2-year period in the case of a State whose legislature meets only biennially, beginning on the date of the enactment of this title or at any time thereafter, the Secretary determines that a State does not have in place by law or regulation a system for licensing and registering loan originators that meets the requirements of sections 1505 and 1506 and subsection (d) of this section, or does not participate in the Nationwide Mortgage Licensing System and Registry, the Secretary shall provide for the establishment and maintenance of a system for the licensing and registration by the Secretary of loan originators operating in such State as State-licensed loan originators.

(b) LICENSING AND REGISTRATION REQUIREMENTS.—The system established by the Secretary under subsection (a) for any State shall meet the requirements of sections 1505 and 1506 for State-licensed loan originators.

(c) UNIQUE IDENTIFIER.—The Secretary shall coordinate with the Nationwide Mortgage Licensing System and Registry to establish protocols for assigning a unique identifier to each loan originator licensed by the Secretary as a State-licensed loan originator that will facilitate electronic tracking and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against loan originators.

(d) STATE LICENSING LAW REQUIREMENTS.—For purposes of this section, the law in effect in a State meets the requirements of this subsection if the Secretary determines the law satisfies the following minimum requirements:

(1) A State loan originator supervisory authority is maintained to provide effective supervision and enforcement of such law, including the suspension, termination, or nonrenewal of a license for a violation of State or Federal law.

(2) The State loan originator supervisory authority ensures that all State-licensed loan originators operating in the State are registered with Nationwide Mortgage Licensing System and Registry.

(3) The State loan originator supervisory authority is required to regularly report violations of such law, as well as enforcement actions and other relevant information, to the Nationwide Mortgage Licensing System and Registry.

(4) The State loan originator supervisory authority has a process in place for challenging information contained in the Nationwide Mortgage Licensing System and Registry.

(5) The State loan originator supervisory authority has established a mechanism to assess civil money penalties for individuals acting as mortgage originators in their State without a valid license or registration.

(6) The State loan originator supervisory authority has established minimum net worth or surety bonding requirements that reflect the dollar amount of loans originated by a residential mortgage loan originator.

(e) TEMPORARY EXTENSION OF PERIOD.—The Secretary may extend, by not more than 24 months, the 1-year or 2-year period, as the case may be, referred to in subsection (a) for the licensing of loan originators in any State under a State licensing law that meets the requirements of sections 1505 and 1506 and subsection (d) if the Secretary determines that such State is making a good faith effort to establish a State licensing law that meets such requirements, license mortgage originators under such law, and register such originators with the Nationwide Mortgage Licensing System and Registry.

(f) CONTRACTING AUTHORITY.—The Secretary may enter into contracts with qualified independent parties, as necessary to efficiently fulfill the obligations of the Secretary under this section.

SEC. 1509. BACKUP AUTHORITY TO ESTABLISH A NATIONWIDE MORTGAGE LICENSING AND REGISTRY SYSTEM.

If at any time the Secretary determines that the Nationwide Mortgage Licensing System and Registry is failing to meet the requirements and purposes of this title for a comprehensive licensing, supervisory, and tracking system for loan originators, the Secretary shall establish and maintain such a system to carry out the purposes of this title and the effective registration and regulation of loan originators.

SEC. 1510. FEES.

The Federal banking agencies, the Farm Credit Admininstration, the Secretary, and the Nationwide Mortgage Licensing System and Registry may charge reasonable fees to cover the costs of maintaining and providing access to information from the Nationwide Mortgage Licensing System and Registry, to the extent that such fees are not charged to consumers for access to such system and registry.

SEC. 1511. BACKGROUND CHECKS OF LOAN ORIGINATORS.

(a) ACCESS TO RECORDS.—Notwithstanding any other provision of law, in providing identification and processing functions, the Attorney General shall provide access to all criminal history information to the appropriate State officials responsible for regulating State-licensed loan originators to the extent criminal history background checks are required under the laws of the State for the licensing of such loan originators.

(b) AGENT.—For the purposes of this section and in order to reduce the points of contact which the Federal Bureau of Investigation may have to maintain for purposes of subsection (a), the Conference of State Bank Supervisors or a wholly owned subsidiary may be used as a channeling agent of the States for requesting and distributing information between the Department of Justice and the appropriate State agencies.

SEC. 1512. CONFIDENTIALITY OF INFORMATION.

(a) SYSTEM CONFIDENTIALITY.—Except as otherwise provided in this section, any requirement under Federal or State law regarding the privacy or confidentiality of any information or material provided to the Nationwide Mortgage Licensing System and Registry or a system established by the Secretary under section 1509, and any privilege arising under Federal or State law (including the rules of any Federal or State court) with respect to such information or material, shall continue to apply to such information or material after the information or material has been disclosed to the system. Such information and material may be shared with all State and Federal regulatory officials with mortgage industry oversight authority without the loss of privilege or the loss of confidentiality protections provided by Federal and State laws.

(b) NONAPPLICABILITY OF CERTAIN REQUIREMENTS.—Information or material that is subject to a privilege or confidentiality under subsection (a) shall not be subject to—

(1) disclosure under any Federal or State law governing the disclosure to the public of information held by an officer or an agency of the Federal Government or the respective State; or

(2) subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by the Nationwide Mortgage Licensing System and Registry or the Secretary with respect to such information or material, the person to whom such information or material pertains waives, in whole or in part, in the discretion of such person, that privilege.

(c) COORDINATION WITH OTHER LAW.—Any State law, including any State open record law, relating to the disclosure of confidential supervisory information or any information or material described in subsection (a) that is inconsistent with subsection (a) shall be superseded by the requirements of such provision to the extent State law provides less confidentiality or a weaker privilege.

(d) PUBLIC ACCESS TO INFORMATION.—This section shall not apply with respect to the information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators that is included in Nationwide Mortgage Licensing System and Registry for access by the public.

SEC. 1513. LIABILITY PROVISIONS.

The Secretary, any State official or agency, any Federal banking agency, or any organization serving as the administrator of the Nationwide Mortgage Licensing System and Registry or a system established by the Secretary under section 1509, or any officer or employee of any such entity, shall not be subject to any civil action or proceeding for monetary damages by reason of the good faith action or omission of any officer or employee of any such entity, while acting within the scope of office or employment, relating to the collection, furnishing, or dissemination of information concerning persons who are loan originators or are applying for licensing or registration as loan originators.

SEC. 1514. ENFORCEMENT UNDER HUD BACKUP LICENSING SYSTEM.

(a) SUMMONS AUTHORITY.—The Secretary may—

(1) examine any books, papers, records, or other data of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 1508; and

(2) summon any loan originator referred to in paragraph (1) or any person having possession, custody, or care of the reports and records relating to such loan originator, to appear before the Secretary or any delegate of the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give testimony, under oath, as may be relevant or material to an investigation of such loan originator for compliance with the requirements of this title.

(b) EXAMINATION AUTHORITY.—

(1) IN GENERAL.—If the Secretary establishes a licensing system under section 1508 for any State, the Secretary shall appoint examiners for the purposes of administering such section.

(2) POWER TO EXAMINE.—Any examiner appointed under paragraph (1) shall have power, on behalf of the Secretary, to make any examination of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 1508 whenever the Secretary determines an examination of any loan originator is necessary to determine the compliance by the originator with this title.

(3) REPORT OF EXAMINATION.—Each examiner appointed under paragraph (1) shall make a full and detailed report of examination of any loan originator examined to the Secretary.

(4) ADMINISTRATION OF OATHS AND AFFIRMATIONS; EVIDENCE.—In connection with examinations of loan originators operating in any State which is subject to a licensing system established by the Secretary under section 1508, or with other types of investigations to determine compliance with applicable law and regulations, the Secretary and examiners appointed by the Secretary may administer oaths and affirmations and examine and take and preserve testimony under oath as to any matter in respect to the affairs of any such loan originator.

(5) ASSESSMENTS.—The cost of conducting any examination of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 1508 shall be assessed by the Secretary against the loan originator to meet the Secretary's expenses in carrying out such examination.

(c) CEASE AND DESIST PROCEEDING.—

(1) AUTHORITY OF SECRETARY.—If the Secretary finds, after notice and opportunity for hearing, that any person is violating, has violated, or is about to violate any provision of this title, or any regulation thereunder, with respect to a State which is subject to a licensing system established by the Secretary under section 1508, the Secretary may publish such findings and enter an order requiring such person, and any other person that is, was, or would be a cause of the violation, due to an act or omission the person knew or should have known would contribute to such violation, to cease and desist from committing or causing such violation and any future violation of the same provision, rule, or regulation. Such order may, in addition to requiring a person to cease and desist from committing or causing a violation, require such person to comply, or to take steps to effect compliance, with such provision or regulation, upon such terms and conditions and within such time as the Secretary may specify in such order. Any such order may, as the Secretary deems appropriate, require future compliance or steps to effect future compliance, either permanently or for such period of time as the Secretary may specify, with such provision or regulation with respect to any loan originator.

(2) HEARING.—The notice instituting proceedings pursuant to paragraph (1) shall fix a hearing date not earlier than 30 days nor later than 60 days after service of the notice unless an earlier or a later date is set by the Secretary with the consent of any respondent so served.

(3) TEMPORARY ORDER.—Whenever the Secretary determines that the alleged violation or threatened violation specified in the notice instituting proceedings pursuant to paragraph (1), or the continuation thereof, is likely to result in significant dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest prior to the completion of the proceedings, the Secretary may enter a temporary order requiring the respondent to cease and desist from the violation or threatened violation and to take such action to prevent the violation or threatened violation and to prevent dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest as the Secretary deems appropriate pending completion of such proceedings. Such an order shall be entered only after notice and opportunity for a hearing, unless the Secretary determines that notice and hearing prior to entry would be impracticable or contrary to the public interest. A temporary order shall become effective upon service upon the respondent and, unless set aside, limited, or suspended by the Secretary or a court of competent jurisdiction, shall remain effective and enforceable pending the completion of the proceedings.

(4) REVIEW OF TEMPORARY ORDERS.—

(A) REVIEW BY SECRETARY.—At any time after the respondent has been served with a temporary cease and desist order pursuant to paragraph (3), the respondent may apply to the Secretary to have the order set aside, limited, or suspended. If the respondent has been served with a temporary cease and desist order entered without a prior hearing before the Secretary, the respondent may, within 10 days after the date on which the order was served, request a hearing on such application and the Secretary shall hold a hearing and render a decision on such application at the earliest possible time.

(B) JUDICIAL REVIEW.—Within—

(i) 10 days after the date the respondent was served with a temporary cease and desist order entered with a prior hearing before the Secretary; or

(ii) 10 days after the Secretary renders a decision on an application and hearing under paragraph (1), with respect to any temporary cease and desist order entered without a prior hearing before the Secretary,

the respondent may apply to the United States district court for the district in which the respondent resides or has its principal place of business, or for the District of Columbia, for an order setting aside, limiting, or suspending the effectiveness or enforcement of the order, and the court shall have jurisdiction to enter such an order. A respondent served with a temporary cease and desist order entered without a prior hearing before the Secretary may not apply to the court except after hearing and decision by the Secretary on the respondent's application under subparagraph (A).

(C) NO AUTOMATIC STAY OF TEMPORARY ORDER.—The commencement of proceedings under subparagraph (B) shall not, unless specifically ordered by the court, operate as a stay of the Secretary's order.

(5) AUTHORITY OF THE SECRETARY TO PROHIBIT PERSONS FROM SERVING AS LOAN ORIGINATORS.—In any cease and desist proceeding under paragraph (1), the Secretary may issue an order to prohibit, conditionally or unconditionally, and permanently or for such period of time as the Secretary shall determine, any person who has violated this title or regulations thereunder, from acting as a loan originator if the conduct of that person demonstrates unfitness to serve as a loan originator.

(d) AUTHORITY OF THE SECRETARY TO ASSESS MONEY PENALTIES.—

(1) IN GENERAL.—The Secretary may impose a civil penalty on a loan originator operating in any State which is subject to a licensing system established by the Secretary under section 1508, if the Secretary finds, on the record after notice and opportunity for hearing, that such loan originator has violated or failed to comply with any requirement of this title or any regulation prescribed by the Secretary under this title or order issued under subsection (c).

(2) MAXIMUM AMOUNT OF PENALTY.—The maximum amount of penalty for each act or omission described in paragraph (1) shall be $25,000.

SEC. 1515. STATE EXAMINATION AUTHORITY.

In addition to any authority allowed under State law a State licensing agency shall have the authority to conduct investigations and examinations as follows:

(1) For the purposes of investigating violations or complaints arising under this title, or for the purposes of examination, the State licensing agency may review, investigate, or examine any loan originator licensed or required to be licensed under this title, as often as necessary in order to carry out the purposes of this title.

(2) Each such loan originator shall make available upon request to the State licensing agency the books and records relating to the operations of such originator. The State licensing agency may have access to such books and records and interview the officers, principals, loan originators, employees, independent contractors, agents, and customers of the licensee concerning their business.

(3) The authority of this section shall remain in effect, whether such a loan originator acts or claims to act under any licensing or registration law of such State, or claims to act without such authority.

(4) No person subject to investigation or examination under this section may knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

SEC. 1516. REPORTS AND RECOMMENDATIONS TO CONGRESS.

(a) ANNUAL REPORTS.—Not later than 1 year after the date of enactment of this title, and annually thereafter, the Secretary shall submit a report to Congress on the effectiveness of the provisions of this title, including legislative recommendations, if any, for strengthening consumer protections, enhancing examination standards, streamlining communication between all stakeholders involved in residential mortgage loan origination and processing, and establishing performance based bonding requirements for mortgage originators or institutions that employ such brokers.

(b) LEGISLATIVE RECOMMENDATIONS.—Not later than 6 months after the date of enactment of this title, the Secretary shall make recommendations to Congress on legislative reforms to the Real Estate Settlement Procedures Act of 1974, that the Secretary deems appropriate to promote more transparent disclosures, allowing consumers to better shop and compare mortgage loan terms and settlement costs.

SEC. 1517. STUDY AND REPORTS ON DEFAULTS AND FORECLOSURES.

(a) STUDY REQUIRED.—The Secretary shall conduct an extensive study of the root causes of default and foreclosure of home loans, using as much empirical data as is available.

(b) PRELIMINARY REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of this title, the Secretary shall

submit to Congress a preliminary report regarding the study required by this section.

(c) FINAL REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this title, the Secretary shall submit to Congress a final report regarding the results of the study required by this section, which shall include any recommended legislation relating to the study, and recommendations for best practices and for a process to provide targeted assistance to populations with the highest risk of potential default or foreclosure.

TITLE VI—MISCELLANEOUS

SEC. 1601. STUDY AND REPORTS ON GUARANTEE FEES.

(a) ONGOING STUDY OF FEES.—The Director shall conduct an ongoing study of fees charged by enterprises for guaranteeing a mortgage.

(b) COLLECTION OF DATA.—The Director shall, by regulation or order, establish procedures for the collection of data from enterprises for purposes of this subsection, including the format and the process for collection of such data.

(c) REPORTS TO CONGRESS.—The Director shall annually submit a report to Congress on the results of the study conducted under subsection (a), based on the aggregated data collected under subsection (a) for the subject year, regarding the amount of such fees and the criteria used by the enterprises to determine such fees.

(d) CONTENTS OF REPORTS.—The reports required under subsection (c) shall identify and analyze—

(1) the factors considered in determining the amount of the guarantee fees charged;

(2) the total revenue earned by the enterprises from guarantee fees;

(3) the total costs incurred by the enterprises for providing guarantees;

(4) the average guarantee fee charged by the enterprises;

(5) an analysis of any increase or decrease in guarantee fees from the preceding year;

(6) a breakdown of the revenue and costs associated with providing guarantees, based on product type and risk classifications; and

(7) a breakdown of guarantee fees charged based on asset size of the originator and the number of loans sold or transferred to an enterprise.

(e) PROTECTION OF INFORMATION.—Nothing in this section may be construed to require or authorize the Director to publicly disclose information that is confidential or proprietary.

SEC. 1602. STUDY AND REPORT ON DEFAULT RISK EVALUATION.

(a) STUDY.—The Director shall conduct a study of ways to improve the overall default risk evaluation used with respect to residential mortgage loans. Particular attention shall be paid to the development and utilization of processes and technologies that provide a means to standardize the measurement of risk.

(b) REPORT.—The Director shall submit a report on the study conducted under this section to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, not later than 1 year after the date of enactment of this Act.

SEC. 1603. CONVERSION OF HUD CONTRACTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may, at the request of an owner of a multifamily housing project that exceeds 5,000 units to which a contract for project-based rental assistance under section 8 of the United States Housing Act of 1937 (''Act'') (42 U.S.C. 1437f) and a Rental Assistance Payment contract is subject, convert such contracts to a contract for project-based rental assistance under section 8 of the Act.

(b) INITIAL RENEWAL.—

(1) At the request of an owner under subsection (a) made no later than 90 days prior to a conversion, the Secretary may, to the extent sufficient amounts are made available in appropriation Acts and notwithstanding any other law, treat the contemplated resulting contract as if such contract were eligible for initial renewal under section 524(a) of the MultiFamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) (''MAHRA'') (42 U.S.C. 1437f note).

(2) A request by an owner pursuant to paragraph (1) shall be upon such terms and conditions as the Secretary may require.

(c) RESULTING CONTRACT.—The resulting contract shall—

(1) be subject to section 524(a) of MAHRA (42 U.S.C. 1437f note);

(2) be considered for all purposes a contract that has been renewed under section 524(a) of MAHRA (42 U.S.C. 1437f note) for a term not to exceed 20 years;

(3) be subsequently renewable at the request of an owner, under any renewal option for which the project is eligible under MAHRA (42 U.S.C. 1437f note);

(4) contain provisions limiting distributions, as the Secretary determines appropriate, not to exceed 10 percent of the initial investment of the owner;

(5) be subject to the availability of sufficient amounts in appropriation Acts; and

(6) be subject to such other terms and conditions as the Secretary considers appropriate.

(d) INCOME TARGETING.—To the extent that assisted dwelling units, subject to the resulting contract under subsection (a), serve low-income families, as defined in section 3(b)(2) of the Act (42 U.S.C. 1437a(b)(2)) the units shall be considered to be in compliance with all income targeting requirements under the Act (42 U.S.C. 1437 et seq.).

(e) TENANT ELIGIBILITY.—Notwithstanding any other provision of law, each family residing in an assisted dwelling unit on the date of conversion of a contract under this section, subject to the resulting contract under subsection (a), shall be considered to meet the applicable requirements for income eligibility and occupancy.

(f) DEFINITIONS.—As used in this section—

(1) the term ''Secretary'' means the Secretary of Housing and Urban Development;

(2) the term ''conversion'' means the action under which a contract for project-based rental assistance under section 8 of the Act and a Rental Assistance Payment contract become a contract for project-based rental assistance under section 8 of the Act (42 U.S.C. 1437f) pursuant to subsection (a);

(3) the term ''resulting contract'' means the new contract after a conversion pursuant to subsection (a); and

(4) the term ''assisted dwelling unit'' means a dwelling unit in a multifamily housing project that exceeds 5,000 units that, on the date of conversion of a contract under this section, is subject to a contract for project-based rental assistance under section 8 of the Act (42 U.S.C. 1437f) or a Rental Assistance Payment contract.

SEC. 1604. BRIDGE DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended—

(1) in subsection (d)(2)—

(A) in subsection (F), by striking ''as receiver'' and all that follows through clause (ii) and inserting the following: ''as receiver, with respect to any insured depository institution, organize a new depository institution under subsection (m) or a bridge depository institution under subsection (n).'';

(B) in subparagraph (G), by striking ''new bank or a bridge bank'' and inserting ''new depository institution or a bridge depository institution'';

(2) in subsection (e)(10)(C), by striking ''bridge bank'' each place that term appears and inserting ''bridge depository institution'';

(3) in subsection (m)—

(A) in the subsection heading, by striking ''BANKS'' and inserting ''DEPOSITORY INSTITUTIONS'';

(B) by striking ''new bank'' each place that term appears and inserting ''new depository institution'';

(C) by striking ''such bank'' each place that term appears and inserting ''such depository institution'';

(D) in paragraph (1), by inserting ''or Federal savings association'' after ''national bank'';

(E) in paragraph (6), by striking ''only bank'' and inserting ''only depository institution'';

(F) in paragraph (9), by inserting ''or the Director of the Office of Thrift Supervision, as appropriate'' after ''Comptroller of the Currency'';

(G) in paragraph (15), by striking '', but in no event'' and all that follows through ''located'';

(H) in paragraph (16)—

(i) by inserting ''or the Director of the Office of Thrift Supervision, as appropriate,'' after ''Comptroller of the Currency'' each place that term appears;

(ii) by striking ''the bank'' each place that term appears and inserting ''the depository institution'';

(iii) by inserting ''or Federal savings association'' after ''national bank'' each place that term appears;

(iv) by inserting ''or Federal savings associations'' after ''national banks''; and

(v) by striking ''Such bank'' and inserting ''Such depository institution''; and

(I) in paragraph (18), by inserting ''or the Director of the Office of Thrift Supervision, as appropriate,'' after ''Comptroller of the Currency'' each place that term appears;

(4) in subsection (n)—

(A) in the subsection heading, by striking ''BANKS'' and inserting ''DEPOSITORY INSTITUTIONS'';

(B) by striking ''bridge bank'' each place that term appears and inserting ''bridge depository institution'';

(C) by striking ''bridge banks'' each place that term appears (other than in paragraph (1)(A)) and inserting ''bridge depository institutions'';

(D) by striking ''bridge bank's'' each place that term appears and inserting ''bridge depository institutions'';

(E) by striking ''insured bank'' each place that term appears and inserting ''insured depository institution'';

(F) by striking ''insured banks'' each place that term appears and inserting ''insured depository institutions'';

(G) by striking ''such bank'' each place that term appears (other than in paragraph (4)(J)) and inserting ''such depository institution'';

(H) by striking ''the bank'' each place that term appears and inserting ''the depository institution'';

(I) in paragraph (1)(A)—

(i) by inserting '', with respect to 1 or more insured banks, or the Director of the Office of Thrift Supervision, with respect to 1 or more insured savings associations,'' after ''Comptroller of the Currency'';

(ii) by inserting ''or Federal savings associations, as appropriate,'' after ''national banks'';

(iii) by inserting ''or Federal savings associations, as applicable,'' after ''banking associations''; and

(iv) by striking ''as bridge banks'' and inserting ''as 'bridge depository institutions' '';

(J) in paragraph (1)(B)—

(i) by striking ''bank or banks'' each place that term appears and inserting ''depository institution or institutions'';

(ii) by striking ''of a bank''; and

(iii) by striking ''of that bank'';

(K) in paragraph (1)(E), by inserting before the period '', in the case of 1 or more insured banks, and as a Federal savings association, in the case of 1 or more insured savings associations'';

(L) in paragraph (2)—

(i) in subparagraph by inserting ''or Federal savings association'' after ''national bank'' each place that term appears; and

(ii) by inserting ''or the Director of the Office of Thrift Supervision'' after ''Comptroller of the Currency'';

(M) in paragraph (4)—

(i) in subparagraph (C), by striking ''under section 5138 of the Revised Statutes or any other'' and inserting ''under any'';

(ii) by inserting ''and the Director of the Office of Thrift Supervision, as appropriate,'' after ''Comptroller of the Currency'' each place that term appears;

(iii) in subparagraph (D), by striking ''bank's'' and inserting ''depository institution's''; and

(iv) in subparagraph (F), by inserting before the period ''or Federal home loan bank'';

(N) in paragraph (8)—

(i) in subparagraph (A), by striking ''the banks'' and inserting ''the depository institutions'';

(ii) in subparagraph (B), by striking ''bank's'' and inserting ''depository institution's'';

(O) in paragraph (11), by inserting ''or a Federal savings association, as the case may be,'' after ''national bank'' each place that term appears;

(P) in paragraph (12)—

(i) by inserting ''or the Director of the Office of Thrift Supervision, as appropriate,'' after ''Comptroller of the Currency'' each place that term appears; and

(ii) by inserting ''or Federal savings associations, as appropriate'' after ''national banks''; and

(Q) in paragraph (13), by striking ''single bank'' and inserting ''single depository institution''.

(b) OTHER CONFORMING AMENDMENTS.—

(1) FEDERAL DEPOSIT INSURANCE ACT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(A) in section 3 (12 U.S.C. 1813), by striking subsection (i) and inserting the following:

''(i) NEW DEPOSITORY INSTITUTION AND BRIDGE DEPOSITORY INSTITUTION DEFINED.—

''(1) NEW DEPOSITORY INSTITUTION.—The term 'new depository institution' means a new national bank or Federal savings association, other than a bridge depository institution, organized by the Corporation in accordance with section 11(m).

''(2) BRIDGE DEPOSITORY INSTITUTION.—The term 'bridge depository institution' means a new national bank or Federal savings association organized by the Corporation in accordance with section 11(n).'';

(B) in section 10(d)(5)(B) (12 U.S.C. 1820(d)(5)(B)), by striking ''bridge bank'' and inserting ''bridge depository institution'';

(C) in section 12 (12 U.S.C. 1822), by striking ''new bank'' each place that term appears and inserting ''new depository institution''; and

(D) in section 38(j)(2) (12 U.S.C. 1831o(j)(2)), by striking ''bridge bank'' and inserting ''bridge depository institution''.

(2) FEDERAL CREDIT UNION ACT.—Section 207(c)(10)(C)(i) of the Federal Credit Union Act (12 U.S.C. 1787(c)(10)(C)(i)) is amended by striking ''bridge bank'' and inserting ''bridge depository institution''.

(3) TITLE 11.—Section 783 of title 11, United States Code, is amended by striking ''bridge bank'' and inserting ''bridge depository institution''.

(4) TITLE 26.—Section 414(l)(2)(G) of the Internal Revenue Code of 1986, is amended by striking ''bridge bank'' and inserting ''bridge depository institution''.

SEC. 1605. SENSE OF THE SENATE.

It is the sense of the Senate that in implementing or carrying out any provision of this Act, or any amendment made by this Act, the Senate supports a policy of noninterference regarding local government requirements that the holder of a foreclosed property maintain that property.

DIVISION B—FORECLOSURE PREVENTION

SECTION 2001. SHORT TITLE.

This division may be cited as the ''Foreclosure Prevention Act of 2008''.

SEC. 2002. EMERGENCY DESIGNATION.

For purposes of Senate enforcement, all provisions of this division are designated as emergency requirements and necessary to meet emergency needs pursuant to section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

TITLE I—FHA MODERNIZATION ACT OF 2008

SEC. 2101. SHORT TITLE.

This title may be cited as the ''FHA Modernization Act of 2008''.

Subtitle A—Building American Homeownership

SEC. 2111. SHORT TITLE.

This subtitle may be cited as the ''Building American Homeownership Act of 2008''.

SEC. 2112. MAXIMUM PRINCIPAL LOAN OBLIGATION.

(a) IN GENERAL.—Paragraph (2) of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended—

(1) by amending subparagraphs (A) and (B) to read as follows:

''(A) not to exceed the lesser of—

''(i) in the case of a 1-family residence, 110 percent of the median 1-family house price in the area, as determined by the Secretary; and in the case of a 2-, 3-, or 4-family residence, the percentage of such median price that bears the same ratio to such median price as the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a 2-, 3-, or 4-family residence, respectively, bears to the dollar amount limitation determined under such section for a 1-family residence; or

''(ii) 150 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of applicable size,

except that the dollar amount limitation in effect under this subparagraph for any size residence for any area may not be less than the greater of: (I) the dollar amount limitation in effect under this section for the area on October 21, 1998; or (II) 65 percent of the dollar amount limitation determined under such section 305(a)(2) for a residence of the applicable size; and

''(B) not to exceed 100 percent of the appraised value of the property.''; and

(2) in the matter following subparagraph (B), by striking the second sentence (relating to a definition of ''average closing cost'') and all that follows through ''section 3103A(d) of title 38, United States Code.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect upon the expiration of the date described in section 202(a) of the Economic Stimulus Act of 2008 (Public Law 110–185).

SEC. 2113. CASH INVESTMENT REQUIREMENT AND PROHIBITION OF SELLER-FUNDED DOWN PAYMENT ASSISTANCE.

Paragraph (9) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended to read as follows:

''(9) CASH INVESTMENT REQUIREMENT.—

''(A) IN GENERAL.—A mortgage insured under this section shall be executed by a mortgagor who shall have paid, in cash, on account of the property an amount equal to not less than 3.5 percent of the appraised value of the property or such larger amount as the Secretary may determine.

''(B) FAMILY MEMBERS.—For purposes of this paragraph, the Secretary shall consider as cash or its equivalent any amounts borrowed from a family member (as such term is defined in section 201), subject only to the requirements that, in any case in which the repayment of such borrowed amounts is secured by a lien against the property, that—

''(i) such lien shall be subordinate to the mortgage; and

''(ii) the sum of the principal obligation of the mortgage and the obligation secured by such lien may not exceed 100 percent of the appraised value of the property.

''(C) PROHIBITED SOURCES.—In no case shall the funds required by subparagraph (A) consist, in whole or in part, of funds provided by any of the following parties before, during, or after closing of the property sale:

''(i) The seller or any other person or entity that financially benefits from the transaction.

''(ii) Any third party or entity that is reimbursed, directly or indirectly, by any of the parties described in clause (i).''.

SEC. 2114. MORTGAGE INSURANCE PREMIUMS.

Section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''or of the General Insurance Fund'' and all that follows through ''section 234(c),,''; and

(2) in subparagraph (A)—

(A) by striking ''2.25 percent'' and inserting ''3 percent''; and

(B) by striking ''2.0 percent'' and inserting ''2.75 percent''.

SEC. 2115. REHABILITATION LOANS.

Subsection (k) of section 203 of the National Housing Act (12 U.S.C. 1709(k)) is amended—

(1) in paragraph (1), by striking ''on'' and all that follows through ''1978''; and

(2) in paragraph (5)—

(A) by striking ''General Insurance Fund'' the first place it appears and inserting ''Mutual Mortgage Insurance Fund''; and

(B) in the second sentence, by striking the comma and all that follows through ''General Insurance Fund''.

SEC. 2116. DISCRETIONARY ACTION.

The National Housing Act is amended—

(1) in subsection (e) of section 202 (12 U.S.C. 1708(e))—

(A) in paragraph (3)(B), by striking ''section 202(e) of the National Housing Act'' and inserting ''this subsection''; and

(B) by redesignating such subsection as subsection (f);

(2) by striking paragraph (4) of section 203(s) (12 U.S.C. 1709(s)(4)) and inserting the following new paragraph:

''(4) the Secretary of Agriculture;''; and

(3) by transferring subsection (s) of section 203 (as amended by paragraph (2) of this section) to section 202, inserting such subsection after subsection (d) of section 202, and redesignating such subsection as subsection (e).

SEC. 2117. INSURANCE OF CONDOMINIUMS.

(a) IN GENERAL.—Section 234 of the National Housing Act (12 U.S.C. 1715y) is amended—

(1) in subsection (c), in the first sentence—

(A) by striking ''and'' before ''(2)''; and

(B) by inserting before the period at the end the following: '', and (3) the project has a blanket mortgage insured by the Secretary under subsection (d)''; and

(2) in subsection (g), by striking '', except that'' and all that follows and inserting a period.

(b) DEFINITION OF MORTGAGE.—Section 201(a) of the National Housing Act (12 U.S.C. 1707(a)) is amended—

(1) before ''a first mortgage'' insert ''(A)'';

(2) by striking ''or on a leasehold (1)'' and inserting ''(B) a first mortgage on a leasehold on real estate (i)'';

(3) by striking ''or (2)'' and inserting '', or (ii)''; and

(4) by inserting before the semicolon the following: '', or (C) a first mortgage given to secure the unpaid purchase price of a fee interest in, or long-term leasehold interest in, real estate consisting of a one-family unit in a multifamily project, including a project in which the dwelling units are attached, or are manufactured housing units, semi-detached, or detached, and an undivided interest in the common areas and facilities which serve the project''.

(c) DEFINITION OF REAL ESTATE.—Section 201 of the National Housing Act (12 U.S.C. 1707) is amended by adding at the end the following new subsection:

''(g) The term 'real estate' means land and all natural resources and structures permanently affixed to the land, including residential buildings and stationary manufactured housing. The Secretary may not require, for treatment of any land or other property as real estate for purposes of this title, that such land or property be treated as real estate for purposes of State taxation.''.

SEC. 2118. MUTUAL MORTGAGE INSURANCE FUND.

(a) IN GENERAL.—Subsection (a) of section 202 of the National Housing Act (12 U.S.C. 1708(a)) is amended to read as follows:

''(a) MUTUAL MORTGAGE INSURANCE FUND.—

''(1) ESTABLISHMENT.—Subject to the provisions of the Federal Credit Reform Act of 1990, there is hereby created a Mutual Mortgage Insurance Fund (in this title referred to as the 'Fund'), which shall be used by the Secretary to carry out the provisions of this title with respect to mortgages insured under section 203. The Secretary may enter into commitments to guarantee, and may guarantee, such insured mortgages.

''(2) LIMIT ON LOAN GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee such insured mortgages shall be effective for any fiscal year only to the extent that the aggregate original principal loan amount under such mortgages, any part of which is guaranteed, does not exceed the amount specified in appropriations Acts for such fiscal year.

''(3) FIDUCIARY RESPONSIBILITY.—The Secretary has a responsibility to ensure that the Mutual Mortgage Insurance Fund remains financially sound.

''(4) ANNUAL INDEPENDENT ACTUARIAL STUDY.—The Secretary shall provide for an independent actuarial study of the Fund to be conducted annually, which shall analyze the financial position of the Fund. The Secretary shall submit a report annually to the Congress describing the results of such study and assessing the financial status of the Fund. The report shall recommend adjustments to underwriting standards, program participation, or premiums, if necessary, to ensure that the Fund remains financially sound. The report shall also include an evaluation of the quality control procedures and accuracy of information utilized in the process of underwriting loans guaranteed by the Fund. Such evaluation shall include a review of the risk characteristics of loans based not only on borrower information and performance, but on risks associated with loans originated or funded by various entities or financial institutions.

''(5) QUARTERLY REPORTS.—During each fiscal year, the Secretary shall submit a report to the Congress for each calendar quarter, which shall specify for mortgages that are obligations of the Fund—

''(A) the cumulative volume of loan guarantee commitments that have been made during such fiscal year through the end of the quarter for which the report is submitted;

''(B) the types of loans insured, categorized by risk;

''(C) any significant changes between actual and projected claim and prepayment activity;

''(D) projected versus actual loss rates; and

''(E) updated projections of the annual subsidy rates to ensure that increases in risk to the Fund are identified and mitigated by adjustments to underwriting standards, program participation, or premiums, and the financial soundness of the Fund is maintained.

The first quarterly report under this paragraph shall be submitted on the last day of the first quarter of fiscal year 2008, or on the last day of the first full calendar quarter following the enactment of the Building American Homeownership Act of 2008, whichever is later.

''(6) ADJUSTMENT OF PREMIUMS.—If, pursuant to the independent actuarial study of the Fund required under paragraph (4), the Secretary determines that the Fund is not meeting the operational goals established under paragraph (7) or there is a substantial probability that the Fund will not maintain its established target subsidy rate, the Secretary may either make programmatic adjustments under this title as necessary to reduce the risk to the Fund, or make appropriate premium adjustments.

''(7) OPERATIONAL GOALS.—The operational goals for the Fund are—

''(A) to minimize the default risk to the Fund and to homeowners by among other actions instituting fraud prevention quality control screening not later than 18 months after the date of enactment of the Building American Homeownership Act of 2008; and

''(B) to meet the housing needs of the borrowers that the single family mortgage insurance program under this title is designed to serve.''.

(b) OBLIGATIONS OF FUND.—The National Housing Act is amended as follows:

(1) HOMEOWNERSHIP VOUCHER PROGRAM MORTGAGES.—In section 203(v) (12 U.S.C. 1709(v))—

(A) by striking ''Notwithstanding section 202 of this title, the'' and inserting ''The''; and

(B) by striking ''General Insurance Fund'' the first place such term appears and all that follows through the end of the subsection and inserting ''Mutual Mortgage Insurance Fund.''.

(2) HOME EQUITY CONVERSION MORTGAGES.—Section 255(i)(2)(A) of the National Housing Act (12 U.S.C. 1715z–20(i)(2)(A)) is amended by striking ''General Insurance Fund'' and inserting ''Mutual Mortgage Insurance Fund''.

(c) CONFORMING AMENDMENTS.—The National Housing Act is amended—

(1) in section 205 (12 U.S.C. 1711), by striking subsections (g) and (h); and

(2) in section 519(e) (12 U.S.C. 1735c(e)), by striking ''203(b)'' and all that follows through ''203(i)'' and inserting ''203, except as determined by the Secretary''.

SEC. 2119. HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) HAWAIIAN HOME LANDS.—Section 247(c) of the National Housing Act (12 U.S.C. 1715z–12(c)) is amended—

(1) by striking ''General Insurance Fund established in section 519'' and inserting ''Mutual Mortgage Insurance Fund''; and

(2) in the second sentence, by striking ''(1) all references'' and all that follows through ''and (2)''.

(b) INDIAN RESERVATIONS.—Section 248(f) of the National Housing Act (12 U.S.C. 1715z–13(f)) is amended—

(1) by striking ''General Insurance Fund'' the first place it appears through ''519'' and inserting ''Mutual Mortgage Insurance Fund''; and

(2) in the second sentence, by striking ''(1) all references'' and all that follows through ''and (2)''.

SEC. 2120. CONFORMING AND TECHNICAL AMENDMENTS.

(a) REPEALS.—The following provisions of the National Housing Act are repealed:

(1) Subsection (i) of section 203 (12 U.S.C. 1709(i)).

(2) Subsection (o) of section 203 (12 U.S.C. 1709(o)).

(3) Subsection (p) of section 203 (12 U.S.C. 1709(p)).

(4) Subsection (q) of section 203 (12 U.S.C. 1709(q)).

(5) Section 222 (12 U.S.C. 1715m).

(6) Section 237 (12 U.S.C. 1715z–2).

(7) Section 245 (12 U.S.C. 1715z–10).

(b) DEFINITION OF AREA.—Section 203(u)(2)(A) of the National Housing Act (12 U.S.C. 1709(u)(2)(A)) is amended by striking ''shall'' and all that follows and inserting ''means a metropolitan statistical area as established by the Office of Management and Budget;''.

(c) DEFINITION OF STATE.—Section 201(d) of the National Housing Act (12 U.S.C. 1707(d)) is amended by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''.

SEC. 2121. INSURANCE OF MORTGAGES.

Subsection (n)(2) of section 203 of the National Housing Act (12 U.S.C. 1709(n)(2)) is amended—

(1) in subparagraph (A), by inserting ''or subordinate mortgage or'' before ''lien given''; and

(2) in subparagraph (C), by inserting ''or subordinate mortgage or'' before ''lien''.

SEC. 2122. HOME EQUITY CONVERSION MORTGAGES.

(a) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended—

(1) in subsection (b)(2), insert '' 'real estate,' '' after '' 'mortgagor','';

(2) by amending subsection (d)(1) to read as follows:

''(1) have been originated by a mortgagee approved by the Secretary;'';

(3) by amending subsection (d)(2)(B) to read as follows:

''(B) has received adequate counseling, as provided in subsection (f), by an independent third party that is not, either directly or indirectly, associated with or compensated by a party involved in—

''(i) originating or servicing the mortgage;

''(ii) funding the loan underlying the mortgage; or

''(iii) the sale of annuities, investments, long-term care insurance, or any other type of financial or insurance product;'';

(4) in subsection (f)—

(A) by striking ''(f) INFORMATION SERVICES FOR MORTGAGORS.—'' and inserting ''(f) COUNSELING SERVICES AND INFORMATION FOR MORTGAGORS.—''; and

(B) by amending the matter preceding paragraph (1) to read as follows: ''The Secretary shall provide or cause to be provided adequate counseling for the mortgagor, as described in subsection (d)(2)(B). Such counseling shall be provided by counselors that meet qualification standards and follow uniform counseling protocols. The qualification standards and counseling protocols shall be established by the Secretary within 12 months of the date of enactment of the Building American Homeownership Act of 2008. The protocols shall require a qualified counselor to discuss with each mortgagor information which shall include—''

(5) in subsection (g), by striking ''established under section 203(b)(2)'' and all that follows through ''located'' and inserting ''limitation established under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence'';

(6) by striking subsection (l);

(7) by redesignating subsection (m) as subsection (l);

(8) by amending subsection (l), as so redesignated, to read as follows:

''(l) FUNDING FOR COUNSELING.—The Secretary may use a portion of the mortgage insurance premiums collected under the program under this section to adequately fund the counseling and disclosure activities required under subsection (f), including counseling for those homeowners who elect not to take out a home equity conversion mortgage, provided that the use of such funds is based upon accepted actuarial principles.''; and

(9) by adding at the end the following new subsection:

''(m) AUTHORITY TO INSURE HOME PURCHASE MORTGAGE.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary may insure, upon application by a mortgagee, a home equity conversion mortgage upon such terms and conditions as the Secretary may prescribe, when the home equity conversion mortgage will be used to purchase a 1- to 4-family dwelling unit, one unit of which the mortgagor will occupy as a primary residence, and to provide for any future payments to the mortgagor, based on available equity, as authorized under subsection (d)(9).

''(2) LIMITATION ON PRINCIPAL OBLIGATION.—A home equity conversion mortgage insured pursuant to paragraph (1) shall involve a principal obligation that does not exceed the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence.

''(n) REQUIREMENTS ON MORTGAGE ORIGINATORS.—

''(1) IN GENERAL.—The mortgagee and any other party that participates in the origination of a mortgage to be insured under this section shall—

''(A) not participate in, be associated with, or employ any party that participates in or is associated with any other financial or insurance activity; or

''(B) demonstrate to the Secretary that the mortgagee or other party maintains, or will maintain, firewalls and other safeguards designed to ensure that—

''(i) individuals participating in the origination of the mortgage shall have no involvement with, or incentive to provide the mortgagor with, any other financial or insurance product; and

''(ii) the mortgagor shall not be required, directly or indirectly, as a condition of obtaining a mortgage under this section, to purchase any other financial or insurance product.

''(2) APPROVAL OF OTHER PARTIES.—All parties that participate in the origination of a mortgage to be insured under this section shall be approved by the Secretary.

''(o) PROHIBITION AGAINST REQUIREMENTS TO PURCHASE ADDITIONAL PRODUCTS.—The mortgagee or any other party shall not be required by the mortgagor or any other party to purchase an insurance, annuity, or other additional product as a requirement or condition of eligibility for insurance under subsection (c).

''(p) STUDY TO DETERMINE CONSUMER PROTECTIONS AND UNDERWRITING STANDARDS.—The Secretary shall conduct a study to examine and determine appropriate consumer protections and underwriting standards to ensure that the purchase of products referred to in subsection (o) is appropriate for the consumer. In conducting such study, the Secretary shall consult with consumer advocates (including recognized experts in consumer protection), industry representatives, representatives of counseling organizations, and other interested parties.''.

(b) MORTGAGES FOR COOPERATIVES.—Subsection (b) of section 255 of the National Housing Act (12 U.S.C. 1715z–20(b)) is amended—

(1) in paragraph (4)—

(A) by inserting ''a first or subordinate mortgage or lien'' before ''on all stock'';

(B) by inserting ''unit'' after ''dwelling''; and

(C) by inserting ''a first mortgage or first lien'' before ''on a leasehold''; and

(2) in paragraph (5), by inserting ''a first or subordinate lien on'' before ''all stock''.

(c) LIMITATION ON ORIGINATION FEES.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20), as amended by the preceding provisions of this section, is further amended by adding at the end the following new subsection:

''(r) LIMITATION ON ORIGINATION FEES.—The Secretary shall establish limits on the origination fee that may be charged to a mortgagor under a mortgage insured under this section, which limitations shall—

''(1) equal 1.5 percent of the maximum claim amount of the mortgage unless adjusted thereafter on the basis of—

''(A) the costs to the mortgagor; and

''(B) the impact of such fees on the reverse mortgage market;

''(2) be subject to a minimum allowable amount;

''(3) provide that the origination fee may be fully financed with the mortgage;

''(4) include any fees paid to correspondent mortgagees approved by the Secretary; and

''(5) have the same effective date as subsection (m)(2) regarding the limitation on principal obligation.''.

(d) STUDY REGARDING PROGRAM COSTS AND CREDIT AVAILABILITY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study regarding the costs and availability of credit under the home equity conversion mortgages for elderly homeowners program under section 255 of the National Housing Act (12 U.S.C. 1715z–20) (in this subsection referred to as the ''program'').

(2) PURPOSE.—The purpose of the study required under paragraph (1) is to help Congress analyze and determine the effects of limiting the amounts of the costs or fees under the program from the amounts charged under the program as of the date of the enactment of this title.

(3) CONTENT OF REPORT.—The study required under paragraph (1) should focus on—

(A) the cost to mortgagors of participating in the program;

(B) the financial soundness of the program;

(C) the availability of credit under the program; and

(D) the costs to elderly homeowners participating in the program, including—

(i) mortgage insurance premiums charged under the program;

(ii) up-front fees charged under the program; and

(iii) margin rates charged under the program.

(4) TIMING OF REPORT.—Not later than 12 months after the date of the enactment of this title, the Comptroller General 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 setting forth the results and conclusions of the study required under paragraph (1).

SEC. 2123. ENERGY EFFICIENT MORTGAGES PROGRAM.

Section 106(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 12712 note) is amended—

(1) by amending subparagraph (C) to read as follows:

''(C) COSTS OF IMPROVEMENTS.—The cost of cost-effective energy efficiency improvements shall not exceed the greater of—

''(i) 5 percent of the property value (not to exceed 5 percent of the limit established under section 203(b)(2)(A)) of the National Housing Act (12 U.S.C. 1709(b)(2)(A); or

''(ii) 2 percent of the limit established under section 203(b)(2)(B) of such Act.''; and

(2) by adding at the end the following:

''(D) LIMITATION.—In any fiscal year, the aggregate number of mortgages insured pursuant to this section may not exceed 5 percent of the aggregate number of mortgages for 1- to 4-family residences insured by the Secretary of Housing and Urban Development under title II of the National Housing Act (12 U.S.C. 1707 et seq.) during the preceding fiscal year.''.

SEC. 2124. PILOT PROGRAM FOR AUTOMATED PROCESS FOR BORROWERS WITHOUT SUFFICIENT CREDIT HISTORY.

(a) ESTABLISHMENT.—Title II of the National Housing Act (12 U.S.C. 1707 et seq.) is amended by adding at the end the following new section:

''SEC. 257. PILOT PROGRAM FOR AUTOMATED PROCESS FOR BORROWERS WITHOUT SUFFICIENT CREDIT HISTORY.

''(a) ESTABLISHMENT.—The Secretary shall carry out a pilot program to establish, and make available to mortgagees, an automated process for providing alternative credit rating information for mortgagors and prospective mortgagors under mortgages on 1- to 4-family residences to be insured under this title who have insufficient credit histories for determining their creditworthiness. Such alternative credit rating information may include rent, utilities, and insurance payment histories, and such other information as the Secretary considers appropriate.

''(b) SCOPE.—The Secretary may carry out the pilot program under this section on a limited basis or scope, and may consider limiting the program to first-time homebuyers.

''(c) LIMITATION.—In any fiscal year, the aggregate number of mortgages insured pursuant to the automated process established under this section may not exceed 5 percent of the aggregate number of mortgages for 1- to 4-family residences insured by the Secretary under this title during the preceding fiscal year.

''(d) SUNSET.—After the expiration of the 5-year period beginning on the date of the enactment of the Building American Homeownership Act of 2008, the Secretary may not enter into any new commitment to insure any mortgage, or newly insure any mortgage, pursuant to the automated process established under this section.''.

(b) GAO REPORT.—Not later than the expiration of the two-year period beginning on the date of the enactment of this subtitle, the Comptroller General of the United States shall submit to the Congress a report identifying the number of additional mortgagors

served using the automated process established pursuant to section 257 of the National Housing Act (as added by the amendment made by subsection (a) of this section) and the impact of such process and the insurance of mortgages pursuant to such process on the safety and soundness of the insurance funds under the National Housing Act of which such mortgages are obligations.

SEC. 2125. HOMEOWNERSHIP PRESERVATION.

The Secretary of Housing and Urban Development and the Commissioner of the Federal Housing Administration, in consultation with industry, the Neighborhood Reinvestment Corporation, and other entities involved in foreclosure prevention activities, shall—

(1) develop and implement a plan to improve the Federal Housing Administration's loss mitigation process; and

(2) report such plan to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 2126. USE OF FHA SAVINGS FOR IMPROVEMENTS IN FHA TECHNOLOGIES, PROCEDURES, PROCESSES, PROGRAM PERFORMANCE, STAFFING, AND SALARIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $25,000,000, from negative credit subsidy for the mortgage insurance programs under title II of the National Housing Act, to the Secretary of Housing and Urban Development for increasing funding for the purpose of improving technology, processes, program performance, eliminating fraud, and for providing appropriate staffing in connection with the mortgage insurance programs under title II of the National Housing Act.

(b) CERTIFICATION.—The authorization under subsection (a) shall not be effective for a fiscal year unless the Secretary of Housing and Urban Development has, by rulemaking in accordance with section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section), made a determination that—

(1) premiums being, or to be, charged during such fiscal year for mortgage insurance under title II of the National Housing Act are established at the minimum amount sufficient to—

(A) comply with the requirements of section 205(f) of such Act (relating to required capital ratio for the Mutual Mortgage Insurance Fund); and

(B) ensure the safety and soundness of the other mortgage insurance funds under such Act; and

(2) any negative credit subsidy for such fiscal year resulting from such mortgage insurance programs adequately ensures the efficient delivery and availability of such programs.

(c) STUDY AND REPORT.—The Secretary of Housing and Urban Development shall conduct a study to obtain recommendations from participants in the private residential (both single family and multifamily) mortgage lending business and the secondary market for such mortgages on how best to update and upgrade processes and technologies for the mortgage insurance programs under title II of the National Housing Act so that the procedures for originating, insuring, and servicing of such mortgages conform with those customarily used by secondary market purchasers of residential mortgage loans. Not later than the expiration of the 12-month period beginning on the date of the enactment of this title, the Secretary shall submit a report to the Congress describing the progress made and to be made toward updating and upgrading such processes and technology, and providing appropriate staffing for such mortgage insurance programs.

SEC. 2127. POST-PURCHASE HOUSING COUNSELING ELIGIBILITY IMPROVEMENTS.

Section 106(c)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(4)) is amended:

(1) in subparagraph (C)—

(A) in clause (i), by striking ''; or'' and inserting a semicolon;

(B) in clause (ii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(iii) a significant reduction in the income of the household due to divorce or death; or

''(iv) a significant increase in basic expenses of the homeowner or an immediate family member of the homeowner (including the spouse, child, or parent for whom the homeowner provides substantial care or financial assistance) due to—

''(I) an unexpected or significant increase in medical expenses;

''(II) a divorce;

''(III) unexpected and significant damage to the property, the repair of which will not be covered by private or public insurance; or

''(IV) a large property-tax increase; or'';

(2) by striking the matter that follows subparagraph (C); and

(3) by adding at the end the following:

''(D) the Secretary of Housing and Urban Development determines that the annual income of the homeowner is no greater than the annual income established by the Secretary as being of low- or moderate-income.''.

SEC. 2128. PRE-PURCHASE HOMEOWNERSHIP COUNSELING DEMONSTRATION.

(a) ESTABLISHMENT OF PROGRAM.—For the period beginning on the date of enactment of this title and ending on the date that is 3 years after such date of enactment, the Secretary of Housing and Urban Development shall establish and conduct a demonstration program to test the effectiveness of alternative forms of pre-purchase homeownership counseling for eligible homebuyers.

(b) FORMS OF COUNSELING.—The Secretary of Housing and Urban Development shall provide to eligible homebuyers pre-purchase homeownership counseling under this section in the form of—

(1) telephone counseling;

(2) individualized in-person counseling;

(3) web-based counseling;

(4) counseling classes; or

(5) any other form or type of counseling that the Secretary may, in his discretion, determine appropriate.

(c) SIZE OF PROGRAM.—The Secretary shall make available the pre-purchase homeownership counseling described in subsection (b) to not more than 3,000 eligible homebuyers in any given year.

(d) INCENTIVE TO PARTICIPATE.—The Secretary of Housing and Urban Development may provide incentives to eligible homebuyers to participate in the demonstration program established under subsection (a). Such incentives may include the reduction of any insurance premium charges owed by the eligible homebuyer to the Secretary.

(e) ELIGIBLE HOMEBUYER DEFINED.—For purposes of this section an ''eligible homebuyer'' means a first-time homebuyer who has been approved for a home loan with a loan-to-value ratio between 97 percent and 98.5 percent.

(f) REPORT TO CONGRESS.—The Secretary of Housing and Urban Development shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representative—

(1) on an annual basis, on the progress and results of the demonstration program established under subsection (a); and

(2) for the period beginning on the date of enactment of this title and ending on the date that is 5 years after such date of enactment, on the payment history and delinquency rates of eligible homebuyers who participated in the demonstration program.

SEC. 2129. FRAUD PREVENTION.

Section 1014 of title 18, United States Code, is amended in the first sentence—

(1) by inserting ''the Federal Housing Administration,'' before ''the Farm Credit Administration''; and

(2) by striking ''commitment, or loan'' and inserting ''commitment, loan, or insurance agreement or application for insurance or a guarantee''.

SEC. 2130. LIMITATION ON MORTGAGE INSURANCE PREMIUM INCREASES.

(a) IN GENERAL.—Notwithstanding any other provision of law, including any provision of this title and any amendment made by this title—

(1) for the period beginning on the date of the enactment of this title and ending on October 1, 2009, the premiums charged for mortgage insurance under multifamily housing programs under the National Housing Act may not be increased above the premium amounts in effect under such program on October 1, 2006, unless the Secretary of Housing and Urban Development determines that, absent such increase, insurance of additional mortgages under such program would, under the Federal Credit Reform Act of 1990, require the appropriation of new budget authority to cover the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a) of such insurance; and

(2) a premium increase pursuant to paragraph (1) may be made only if not less than 30 days prior to such increase taking effect, the Secretary of Housing and Urban Development—

(A) notifies the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives of such increase; and

(B) publishes notice of such increase in the Federal Register.

(b) WAIVER.—The Secretary of Housing and Urban Development may waive the 30-day notice requirement under subsection (a)(2), if the Secretary determines that waiting 30-days before increasing premiums would cause substantial damage to the solvency of multifamily housing programs under the National Housing Act.

SEC. 2131. SAVINGS PROVISION.

Any mortgage insured under title II of the National Housing Act before the date of enactment of this subtitle shall continue to be governed by the laws, regulations, orders, and terms and conditions to which it was subject on the day before the date of the enactment of this subtitle.

SEC. 2132. IMPLEMENTATION.

The Secretary of Housing and Urban Development shall by notice establish any additional requirements that may be necessary to immediately carry out the provisions of this subtitle. The notice shall take effect upon issuance.

SEC. 2133. MORATORIUM ON IMPLEMENTATION OF RISK-BASED PREMIUMS.

(a) IN GENERAL.—During the 12-month period beginning on the date of enactment of this Act, the Secretary of Housing and Urban Development shall not enact, execute, or take any action to make effective the planned implementation of risk-based premiums, which are designed for mortgage lenders to offer borrowers an FHA-insured product that provides a range of mortgage insurance premium pricing, based on the risk that the insurance contract represents, as

such planned implementation was set forth in the Notice published in the Federal Register on May 13, 2008 (Vol. 73, No. 93, Pages 27703 through 27711)(effective July 14, 2008).

(b) INSURANCE OF MORTGAGES UNDER THE NATIONAL HOUSING ACT.—During the 12-month period beginning on the date of enactment of this Act, the Secretary of Housing and Urban Development shall not enact, execute, or take any action to make effective the implementation of any other new risk-based premium product related to the insurance of any mortgage on a single family residence under title II of the National Housing Act, where the premium price for such new product is based in whole or in part on a borrower's Decision Credit Score, as that term is defined in the Notice described under subsection (a), or any successor thereto.

Subtitle B—Manufactured Housing Loan Modernization

SEC. 2141. SHORT TITLE.

This subtitle may be cited as the ''FHA Manufactured Housing Loan Modernization Act of 2008''.

SEC. 2142. PURPOSES.

The purposes of this subtitle are—

(1) to provide adequate funding for FHA-insured manufactured housing loans for low- and moderate-income homebuyers during all economic cycles in the manufactured housing industry;

(2) to modernize the FHA title I insurance program for manufactured housing loans to enhance participation by Ginnie Mae and the private lending markets; and

(3) to adjust the low loan limits for title I manufactured home loan insurance to reflect the increase in costs since such limits were last increased in 1992 and to index the limits to inflation.

SEC. 2143. EXCEPTION TO LIMITATION ON FINANCIAL INSTITUTION PORTFOLIO.

The second sentence of section 2(a) of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking ''In no case'' and inserting ''Other than in connection with a manufactured home or a lot on which to place such a home (or both), in no case''; and

(2) by striking '': *Provided*, That with'' and inserting ''. With''.

SEC. 2144. INSURANCE BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), is amended by adding at the end the following new paragraph:

''(8) INSURANCE BENEFITS FOR MANUFACTURED HOUSING LOANS.—Any contract of insurance with respect to loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place a manufactured home (or both) for a financial institution that is executed under this title after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2008 by the Secretary shall be conclusive evidence of the eligibility of such financial institution for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of the bearer from the date of the execution of such contract, except for fraud or misrepresentation on the part of such institution.''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall only apply to loans that are registered or endorsed for insurance after the date of the enactment of this title.

SEC. 2145. MAXIMUM LOAN LIMITS.

(a) DOLLAR AMOUNTS.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) in clause (ii) of subparagraph (A), by striking ''$17,500'' and inserting ''$25,090'';

(2) in subparagraph (C) by striking ''$48,600'' and inserting ''$69,678'';

(3) in subparagraph (D) by striking ''$64,800'' and inserting ''$92,904'';

(4) in subparagraph (E) by striking ''$16,200'' and inserting ''$23,226''; and

(5) by realigning subparagraphs (C), (D), and (E) 2 ems to the left so that the left margins of such subparagraphs are aligned with the margins of subparagraphs (A) and (B).

(b) ANNUAL INDEXING.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this title, is further amended by adding at the end the following new paragraph:

''(9) ANNUAL INDEXING OF MANUFACTURED HOUSING LOANS.—The Secretary shall develop a method of indexing in order to annually adjust the loan limits established in subparagraphs (A)(ii), (C), (D), and (E) of this subsection. Such index shall be based on the manufactured housing price data collected by the United States Census Bureau. The Secretary shall establish such index no later than 1 year after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2008.''

(c) TECHNICAL AND CONFORMING CHANGES.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) by striking ''No'' and inserting ''Except as provided in the last sentence of this paragraph, no''; and

(2) by adding after and below subparagraph (G) the following:

''The Secretary shall, by regulation, annually increase the dollar amount limitations in subparagraphs (A)(ii), (C), (D), and (E) (as such limitations may have been previously adjusted under this sentence) in accordance with the index established pursuant to paragraph (9).''.

SEC. 2146. INSURANCE PREMIUMS.

Subsection (f) of section 2 of the National Housing Act (12 U.S.C. 1703(f)) is amended—

(1) by inserting ''(1) PREMIUM CHARGES.—'' after ''(f)''; and

(2) by adding at the end the following new paragraph:

''(2) MANUFACTURED HOME LOANS.—Notwithstanding paragraph (1), in the case of a loan, advance of credit, or purchase in connection with a manufactured home or a lot on which to place such a home (or both), the premium charge for the insurance granted under this section shall be paid by the borrower under the loan or advance of credit, as follows:

''(A) At the time of the making of the loan, advance of credit, or purchase, a single premium payment in an amount not to exceed 2.25 percent of the amount of the original insured principal obligation.

''(B) In addition to the premium under subparagraph (A), annual premium payments during the term of the loan, advance, or obligation purchased in an amount not exceeding 1.0 percent of the remaining insured principal balance (excluding the portion of the remaining balance attributable to the premium collected under subparagraph (A) and without taking into account delinquent payments or prepayments).

''(C) Premium charges under this paragraph shall be established in amounts that are sufficient, but do not exceed the minimum amounts necessary, to maintain a negative credit subsidy for the program under this section for insurance of loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place such a home (or both), as determined based upon risk to the Federal Government under existing underwriting requirements.

''(D) The Secretary may increase the limitations on premium payments to percentages above those set forth in subparagraphs (A) and (B), but only if necessary, and not in excess of the minimum increase necessary, to maintain a negative credit subsidy as described in subparagraph (C).''.

SEC. 2147. TECHNICAL CORRECTIONS.

(a) DATES.—Subsection (a) of section 2 of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking ''on and after July 1, 1939,'' each place such term appears; and

(2) by striking ''made after the effective date of the Housing Act of 1954''.

(b) AUTHORITY OF SECRETARY.—Subsection (c) of section 2 of the National Housing Act (12 U.S.C. 1703(c)) is amended to read as follows:

''(c) HANDLING AND DISPOSAL OF PROPERTY.—

''(1) AUTHORITY OF SECRETARY.—Notwithstanding any other provision of law, the Secretary may—

''(A) deal with, complete, rent, renovate, modernize, insure, or assign or sell at public or private sale, or otherwise dispose of, for cash or credit in the Secretary's discretion, and upon such terms and conditions and for such consideration as the Secretary shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by the Secretary, in connection with the payment of insurance heretofore or hereafter granted under this title, including any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of insurance heretofore or hereafter granted under this section; and

''(B) pursue to final collection, by way of compromise or otherwise, all claims assigned to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of such insurance, including unpaid insurance premiums owed in connection with insurance made available by this title.

''(2) ADVERTISEMENTS FOR PROPOSALS.—Section 3709 of the Revised Statutes shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed $25,000.

''(3) DELEGATION OF AUTHORITY.—The power to convey and to execute in the name of the Secretary, deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Secretary pursuant to the provisions of this title may be exercised by an officer appointed by the Secretary without the execution of any express delegation of power or power of attorney. Nothing in this subsection shall be construed to prevent the Secretary from delegating such power by order or by power of attorney, in the Secretary's discretion, to any officer or agent the Secretary may appoint.''.

SEC. 2148. REVISION OF UNDERWRITING CRITERIA.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this title, is further amended by adding at the end the following new paragraph:

''(10) FINANCIAL SOUNDNESS OF MANUFACTURED HOUSING PROGRAM.—The Secretary shall establish such underwriting criteria for loans and advances of credit in connection with a manufactured home or a lot on which to place a manufactured home (or both), including such loans and advances represented by obligations purchased by financial institutions, as may be necessary to ensure that the program under this title for insurance for financial institutions against losses from

such loans, advances of credit, and purchases is financially sound.''.

(b) TIMING.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this title, the Secretary of Housing and Urban Development shall revise the existing underwriting criteria for the program referred to in paragraph (10) of section 2(b) of the National Housing Act (as added by subsection (a) of this section) in accordance with the requirements of such paragraph.

SEC. 2149. PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES.

Title I of the National Housing Act is amended by adding at the end of section 9 the following new section:

''SEC. 10. PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES.

''(a) IN GENERAL.—Except as provided in subsection (b), the provisions of sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall apply to each sale of a manufactured home financed with an FHA-insured loan or extension of credit, as well as to services rendered in connection with such transactions.

''(b) AUTHORITY OF THE SECRETARY.—The Secretary is authorized to determine the manner and extent to which the provisions of sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) may reasonably be applied to the transactions described in subsection (a), and to grant such exemptions as may be necessary to achieve the purposes of this section.

''(c) DEFINITIONS.—For purposes of this section—

''(1) the term 'federally related mortgage loan' as used in sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall include an FHA-insured loan or extension of credit made to a borrower for the purpose of purchasing a manufactured home that the borrower intends to occupy as a personal residence; and

''(2) the term 'real estate settlement service' as used in sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall include any service rendered in connection with a loan or extension of credit insured by the Federal Housing Administration for the purchase of a manufactured home.

''(d) UNFAIR AND DECEPTIVE PRACTICES.—In connection with the purchase of a manufactured home financed with a loan or extension of credit insured by the Federal Housing Administration under this title, the Secretary shall prohibit acts or practices in connection with loans or extensions of credit that the Secretary finds to be unfair, deceptive, or otherwise not in the interests of the borrower.''.

SEC. 2150. LEASEHOLD REQUIREMENTS.

Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this title, is further amended by adding at the end the following new paragraph:

''(11) LEASEHOLD REQUIREMENTS.—No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it, made for the purposes of financing a manufactured home which is intended to be situated in a manufactured home community pursuant to a lease, unless such lease—

''(A) expires not less than 3 years after the origination date of the obligation;

''(B) is renewable upon the expiration of the original 3 year term by successive 1 year terms; and

''(C) requires the lessor to provide the lessee written notice of termination of the lease not less than 180 days prior to the expiration of the current lease term in the event the lessee is required to move due to the closing of the manufactured home community, and further provides that failure to provide such notice to the mortgagor in a timely manner will cause the lease term, at its expiration, to automatically renew for an additional 1 year term.''.

TITLE II—MORTGAGE FORECLOSURE PROTECTIONS FOR SERVICEMEMBERS

SEC. 2201. TEMPORARY INCREASE IN MAXIMUM LOAN GUARANTY AMOUNT FOR CERTAIN HOUSING LOANS GUARANTEED BY THE SECRETARY OF VETERANS AFFAIRS.

Notwithstanding subparagraph (C) of section 3703(a)(1) of title 38, United States Code, for purposes of any loan described in subparagraph (A)(i)(IV) of such section that is originated during the period beginning on the date of the enactment of this Act and ending on December 31, 2008, the term ''maximum guaranty amount'' shall mean an amount equal to 25 percent of the higher of—

(1) the limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for the calendar year in which the loan is originated for a single-family residence; or

(2) 125 percent of the area median price for a single-family residence, but in no case to exceed 175 percent of the limitation determined under such section 305(a)(2) for the calendar year in which the loan is originated for a single-family residence.

SEC. 2202. COUNSELING ON MORTGAGE FORECLOSURES FOR MEMBERS OF THE ARMED FORCES RETURNING FROM SERVICE ABROAD.

(a) IN GENERAL.—The Secretary of Defense shall develop and implement a program to advise members of the Armed Forces (including members of the National Guard and Reserve) who are returning from service on active duty abroad (including service in Operation Iraqi Freedom and Operation Enduring Freedom) on actions to be taken by such members to prevent or forestall mortgage foreclosures.

(b) ELEMENTS.—The program required by subsection (a) shall include the following:

(1) Credit counseling.

(2) Home mortgage counseling.

(3) Such other counseling and information as the Secretary considers appropriate for purposes of the program.

(c) TIMING OF PROVISION OF COUNSELING.—Counseling and other information under the program required by subsection (a) shall be provided to a member of the Armed Forces covered by the program as soon as practicable after the return of the member from service as described in subsection (a).

SEC. 2203. ENHANCEMENT OF PROTECTIONS FOR SERVICEMEMBERS RELATING TO MORTGAGES AND MORTGAGE FORECLOSURES.

(a) EXTENSION OF PERIOD OF PROTECTIONS AGAINST MORTGAGE FORECLOSURES.—

(1) EXTENSION OF PROTECTION PERIOD.—Subsection (c) of section 303 of the Servicemembers Civil Relief Act (50 U.S.C. App. 533) is amended by striking ''90 days'' and inserting ''9 months''.

(2) EXTENSION OF STAY OF PROCEEDINGS PERIOD.—Subsection (b) of such section is amended by striking ''90 days'' and inserting ''9 months''.

(b) TREATMENT OF MORTGAGES AS OBLIGATIONS SUBJECT TO INTEREST RATE LIMITATION.—Section 207 of the Servicemembers Civil Relief Act (50 U.S.C. App. 527) is amended—

(1) in subsection (a)(1), by striking ''in excess of 6 percent'' the second place it appears and all that follows and inserting ''in excess of 6 percent—

''(A) during the period of military service and one year thereafter, in the case of an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage; or

''(B) during the period of military service, in the case of any other obligation or liability.''; and

(2) by striking subsection (d) and inserting the following new subsection:

''(d) DEFINITIONS.—In this section:

''(1) INTEREST.—The term 'interest' includes service charges, renewal charges, fees, or any other charges (except bona fide insurance) with respect to an obligation or liability.

''(2) OBLIGATION OR LIABILITY.—The term 'obligation or liability' includes an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage.''.

(c) EFFECTIVE DATE; SUNSET.—

(1) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUNSET.—The amendments made by subsection (a) shall expire on December 31, 2010. Effective January 1, 2011, the provisions of subsections (b) and (c) of section 303 of the Servicemembers Civil Relief Act, as in effect on the day before the date of the enactment of this Act, are hereby revived.

TITLE III—EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES

SEC. 2301. EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES.

(a) DIRECT APPROPRIATIONS.—There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year 2008, $4,000,000,000, to remain available until expended, for assistance to States and units of general local government (as such terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) for the redevelopment of abandoned and foreclosed upon homes and residential properties.

(b) ALLOCATION OF APPROPRIATED AMOUNTS.—

(1) IN GENERAL.—The amounts appropriated or otherwise made available to States and units of general local government under this section shall be allocated based on a funding formula established by the Secretary of Housing and Urban Development (in this title referred to as the ''Secretary'').

(2) FORMULA TO BE DEVISED SWIFTLY.—The funding formula required under paragraph (1) shall be established not later than 60 days after the date of enactment of this section.

(3) CRITERIA.—The funding formula required under paragraph (1) shall ensure that any amounts appropriated or otherwise made available under this section are allocated to States and units of general local government with the greatest need, as such need is determined in the discretion of the Secretary based on—

(A) the number and percentage of home foreclosures in each State or unit of general local government;

(B) the number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and

(C) the number and percentage of homes in default or delinquency in each State or unit of general local government.

(4) DISTRIBUTION.—Amounts appropriated or otherwise made available under this section shall be distributed according to the funding formula established by the Secretary under paragraph (1) not later than 30 days after the establishment of such formula.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Any State or unit of general local government that receives amounts pursuant to this section shall, not later than 18 months after the receipt of such amounts, use such amounts to purchase and redevelop abandoned and foreclosed homes and residential properties.

(2) PRIORITY.—Any State or unit of general local government that receives amounts pursuant to this section shall in distributing such amounts give priority emphasis and consideration to those metropolitan areas, metropolitan cities, urban areas, rural areas, low- and moderate-income areas, and other areas with the greatest need, including those—

(A) with the greatest percentage of home foreclosures;

(B) with the highest percentage of homes financed by a subprime mortgage related loan; and

(C) identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures.

(3) ELIGIBLE USES.—Amounts made available under this section may be used to—

(A) establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers;

(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;

(C) establish land banks for homes that have been foreclosed upon;

(D) demolish blighted structures; and

(E) redevelop demolished or vacant properties.

(d) LIMITATIONS.—

(1) ON PURCHASES.—Any purchase of a foreclosed upon home or residential property under this section shall be at a discount from the current market appraised value of the home or property, taking into account its current condition, and such discount shall ensure that purchasers are paying below-market value for the home or property.

(2) SALE OF HOMES.—If an abandoned or foreclosed upon home or residential property is purchased, redeveloped, or otherwise sold to an individual as a primary residence, then such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition.

(3) REINVESTMENT OF PROFITS.—

(A) PROFITS FROM SALES, RENTALS, AND REDEVELOPMENT.—

(i) 5-YEAR REINVESTMENT PERIOD.—During the 5-year period following the date of enactment of this Act, any revenue generated from the sale, rental, redevelopment, rehabilitation, or any other eligible use that is in excess of the cost to acquire and redevelop (including reasonable development fees) or rehabilitate an abandoned or foreclosed upon home or residential property shall be provided to and used by the State or unit of general local government in accordance with, and in furtherance of, the intent and provisions of this section.

(ii) DEPOSITS IN THE TREASURY.—

(I) PROFITS.—Upon the expiration of the 5-year period set forth under clause (i), any revenue generated from the sale, rental, redevelopment, rehabilitation, or any other eligible use that is in excess of the cost to acquire and redevelop (including reasonable development fees) or rehabilitate an abandoned or foreclosed upon home or residential property shall be deposited in the Treasury of the United States as miscellaneous receipts, unless the Secretary approves a request to use the funds for purposes under this Act.

(II) OTHER AMOUNTS.—Upon the expiration of the 5-year period set forth under clause (i), any other revenue not described under subclause (I) generated from the sale, rental, redevelopment, rehabilitation, or any other eligible use of an abandoned or foreclosed upon home or residential property shall be deposited in the Treasury of the United States as miscellaneous receipts.

(B) OTHER REVENUES.—Any revenue generated under subparagraphs (A), (C) or (D) of subsection (c)(3) shall be provided to and used by the State or unit of general local government in accordance with, and in furtherance of, the intent and provisions of this section.

(e) RULES OF CONSTRUCTION.—

(1) IN GENERAL.—Except as otherwise provided by this section, amounts appropriated, revenues generated, or amounts otherwise made available to States and units of general local government under this section shall be treated as though such funds were community development block grant funds under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

(2) NO MATCH.—No matching funds shall be required in order for a State or unit of general local government to receive any amounts under this section.

(f) AUTHORITY TO SPECIFY ALTERNATIVE REQUIREMENTS.—

(1) IN GENERAL.—In administering any amounts appropriated or otherwise made available under this section, the Secretary may specify alternative requirements to any provision under title I of the Housing and Community Development Act of 1974 (except for those related to fair housing, nondiscrimination, labor standards, and the environment) in accordance with the terms of this section and for the sole purpose of expediting the use of such funds.

(2) NOTICE.—The Secretary shall provide written notice of its intent to exercise the authority to specify alternative requirements under paragraph (1) to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives not later than 10 business days before such exercise of authority is to occur.

(3) LOW AND MODERATE INCOME REQUIREMENT.—

(A) IN GENERAL.—Notwithstanding the authority of the Secretary under paragraph (1)—

(i) all of the funds appropriated or otherwise made available under this section shall be used with respect to individuals and families whose income does not exceed 120 percent of area median income; and

(ii) not less than 25 percent of the funds appropriated or otherwise made available under this section shall be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of area median income.

(B) RECURRENT REQUIREMENT.—The Secretary shall, by rule or order, ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed upon homes and residential properties under this section remain affordable to individuals or families described in subparagraph (A).

(g) PERIODIC AUDITS.—In consultation with the Secretary of Housing and Urban Development, the Comptroller General of the United States shall conduct periodic audits to ensure that funds appropriated, made available, or otherwise distributed under this section are being used in a manner consistent with the criteria provided in this section.

SEC. 2302. NATIONWIDE DISTRIBUTION OF RESOURCES.

Notwithstanding any other provision of this Act or the amendments made by this Act, each State shall receive not less than 0.5 percent of funds made available under section 2301 (relating to emergency assistance for the redevelopment of abandoned and foreclosed homes).

SEC. 2303. LIMITATION ON USE OF FUNDS WITH RESPECT TO EMINENT DOMAIN.

No State or unit of general local government may use any amounts received pursuant to section 2301 to fund any project that seeks to use the power of eminent domain, unless eminent domain is employed only for a public use: *Provided,* That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities.

SEC. 2304. LIMITATION ON DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—None of the funds made available under this title or title IV shall be distributed to—

(1) an organization which has been indicted for a violation under Federal law relating to an election for Federal office; or

(2) an organization which employs applicable individuals.

(b) APPLICABLE INDIVIDUALS DEFINED.—In this section, the term ''applicable individual'' means an individual who—

(1) is—

(A) employed by the organization in a permanent or temporary capacity;

(B) contracted or retained by the organization; or

(C) acting on behalf of, or with the express or apparent authority of, the organization; and

(2) has been indicted for a violation under Federal law relating to an election for Federal office.

SEC. 2305. COUNSELING INTERMEDIARIES.

Notwithstanding any other provision of this Act, the amount appropriated under section 2301(a) of this Act shall be $3,920,000,000 and the amount appropriated under section 2401 of this Act shall be $180,000,000: *Provided,* That of amounts appropriated under such section 2401 $30,000,000 shall be used by the Neighborhood Reinvestment Corporation (referred to in this section as the ''NRC'') to make grants to counseling intermediaries approved by the Department of Housing and Urban Development or the NRC to hire attorneys to assist homeowners who have legal issues directly related to the homeowner's foreclosure, delinquency or short sale. Such attorneys shall be capable of assisting homeowners of owner-occupied homes with mortgages in default, in danger of default, or subject to or at risk of foreclosure and who have legal issues that cannot be handled by counselors already employed by such intermediaries: *Provided,* That of the amounts provided for in the prior provisos the NRC shall give priority consideration to counseling intermediaries and legal organizations that (1) provide legal assistance in the 100 metropolitan statistical areas (as defined by the Director of the Office of Management and Budget) with the highest home foreclosure rates, and (2) have the capacity to begin using the financial assistance within 90 days after receipt of the assistance: *Provided further,* That no funds provided under this Act shall be used to provide, obtain, or arrange on behalf of a homeowner, legal representation involving or for the purposes of civil litigation.

TITLE IV—HOUSING COUNSELING RESOURCES

SEC. 2401. HOUSING COUNSELING RESOURCES.

There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year 2008, for an additional amount for the ''Neighborhood Reinvestment Corporation—Payment to the Neighborhood Reinvestment Corporation'' $100,000,000, to remain available until September 30, 2008, for foreclosure mitigation activities under the terms and conditions contained in the second undesignated paragraph (beginning with the phrase ''For an additional amount'') under the heading ''Neighborhood Reinvestment Corporation—Payment to the Neighborhood Reinvestment Corporation'' of Public Law 110–161.

SEC. 2402. CREDIT COUNSELING.

(a) IN GENERAL.—Entities approved by the Neighborhood Reinvestment Corporation or the Secretary and State housing finance entities receiving funds under this title shall work to identify and coordinate with nonprofit organizations operating national or statewide toll-free foreclosure prevention hotlines, including those that—

(1) serve as a consumer referral source and data repository for borrowers experiencing some form of delinquency or foreclosure;

(2) connect callers with local housing counseling agencies approved by the Neighborhood Reinvestment Corporation or the Secretary to assist with working out a positive resolution to their mortgage delinquency or foreclosure; or

(3) facilitate or offer free assistance to help homeowners to understand their options, negotiate solutions, and find the best resolution for their particular circumstances.

TITLE V—MORTGAGE DISCLOSURE IMPROVEMENT ACT

SEC. 2501. SHORT TITLE.

This title may be cited as the ''Mortgage Disclosure Improvement Act of 2008''.

SEC. 2502. ENHANCED MORTGAGE LOAN DISCLOSURES.

(a) TRUTH IN LENDING ACT DISCLOSURES.—Section 128(b)(2) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)) is amended—

(1) by inserting ''(A)'' before ''In the'';

(2) by striking ''a residential mortgage transaction, as defined in section 103(w)'' and inserting ''any extension of credit that is secured by the dwelling of a consumer'';

(3) by striking ''before the credit is extended, or'';

(4) by inserting '', which shall be at least 7 business days before consummation of the transaction'' after ''written application'';

(5) by striking '', whichever is earlier''; and

(6) by striking ''If the'' and all that follows through the end of the paragraph and inserting the following:

''(B) In the case of an extension of credit that is secured by the dwelling of a consumer, the disclosures provided under subparagraph (A), shall be in addition to the other disclosures required by subsection (a), and shall—

''(i) state in conspicuous type size and format, the following: 'You are not required to complete this agreement merely because you have received these disclosures or signed a loan application.'; and

''(ii) be provided in the form of final disclosures at the time of consummation of the transaction, in the form and manner prescribed by this section.

''(C) In the case of an extension of credit that is secured by the dwelling of a consumer, under which the annual rate of interest is variable, or with respect to which the regular payments may otherwise be variable, in addition to the other disclosures required by subsection (a), the disclosures provided under this subsection shall do the following:

''(i) Label the payment schedule as follows: 'Payment Schedule: Payments Will Vary Based on Interest Rate Changes'.

''(ii) State in conspicuous type size and format examples of adjustments to the regular required payment on the extension of credit based on the change in the interest rates specified by the contract for such extension of credit. Among the examples required to be provided under this clause is an example that reflects the maximum payment amount of the regular required payments on the extension of credit, based on the maximum interest rate allowed under the contract, in accordance with the rules of the Board. Prior to issuing any rules pursuant to this clause, the Board shall conduct consumer testing to determine the appropriate format for providing the disclosures required under this subparagraph to consumers so that such disclosures can be easily understood.

''(D) In any case in which the disclosure statement under subparagraph (A) contains an annual percentage rate of interest that is no longer accurate, as determined under section 107(c), the creditor shall furnish an additional, corrected statement to the borrower, not later than 3 business days before the date of consummation of the transaction.

''(E) The consumer shall receive the disclosures required under this paragraph before paying any fee to the creditor or other person in connection with the consumer's application for an extension of credit that is secured by the dwelling of a consumer. If the disclosures are mailed to the consumer, the consumer is considered to have received them 3 business days after they are mailed. A creditor or other person may impose a fee for obtaining the consumer's credit report before the consumer has received the disclosures under this paragraph, provided the fee is bona fide and reasonable in amount.

''(F) WAIVER OF TIMELINESS OF DISCLOSURES.—To expedite consummation of a transaction, if the consumer determines that the extension of credit is needed to meet a bona fide personal financial emergency, the consumer may waive or modify the timing requirements for disclosures under subparagraph (A), provided that—

''(i) the term 'bona fide personal emergency' may be further defined in regulations issued by the Board;

''(ii) the consumer provides to the creditor a dated, written statement describing the emergency and specifically waiving or modifying those timing requirements, which statement shall bear the signature of all consumers entitled to receive the disclosures required by this paragraph; and

''(iii) the creditor provides to the consumers at or before the time of such waiver or modification, the final disclosures required by paragraph (1).

''(G) The requirements of subparagraphs (B), (C), (D) and (E) shall not apply to extensions of credit relating to plans described in section 101(53D) of title 11, United States Code.''.

(b) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended—

(1) in paragraph (2)(A)(iii), by striking ''not less than $200 or greater than $2,000'' and inserting ''not less than $400 or greater than $4,000''; and

(2) in the penultimate sentence of the undesignated matter following paragraph (4)—

(A) by inserting ''or section 128(b)(2)(C)(ii),'' after ''128(a),''; and

(B) by inserting ''or section 128(b)(2)(C)(ii)'' before the period.

(c) EFFECTIVE DATES.—

(1) GENERAL DISCLOSURES.—Except as provided in paragraph (2), the amendments made by subsection (a) shall become effective 12 months after the date of enactment of this Act.

(2) VARIABLE INTEREST RATES.—Subparagraph (C) of section 128(b)(2) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)(C)), as added by subsection (a) of this section, shall become effective on the earlier of—

(A) the compliance date established by the Board for such purpose, by regulation; or

(B) 30 months after the date of enactment of this Act.

SEC. 2503. COMMUNITY DEVELOPMENT INVESTMENT AUTHORITY FOR DEPOSITORY INSTITUTIONS.

(a) NATIONAL BANKS.—The first sentence of the paragraph designated as the ''Eleventh'' of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by striking ''promotes the public welfare by benefitting primarily'' and inserting ''is designed primarily to promote the public welfare, including the welfare of''.

(b) STATE MEMBER BANKS.—The first sentence of the 23rd paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 338a) is amended by striking ''promotes the public welfare by benefitting primarily'' and inserting ''is designed primarily to promote the public welfare, including the welfare of''.

TITLE VI—VETERANS HOUSING MATTERS

SEC. 2601. HOME IMPROVEMENTS AND STRUCTURAL ALTERATIONS FOR TOTALLY DISABLED MEMBERS OF THE ARMED FORCES BEFORE DISCHARGE OR RELEASE FROM THE ARMED FORCES.

Section 1717 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(d)(1) In the case of a member of the Armed Forces who, as determined by the Secretary, has a disability permanent in nature incurred or aggravated in the line of duty in the active military, naval, or air service, the Secretary may furnish improvements and structural alterations for such member for such disability or as otherwise described in subsection (a)(2) while such member is hospitalized or receiving outpatient medical care, services, or treatment for such disability if the Secretary determines that such member is likely to be discharged or released from the Armed Forces for such disability.

''(2) The furnishing of improvements and alterations under paragraph (1) in connection with the furnishing of medical services described in subparagraph (A) or (B) of subsection (a)(2) shall be subject to the limitation specified in the applicable subparagraph.''.

SEC. 2602. ELIGIBILITY FOR SPECIALLY ADAPTED HOUSING BENEFITS AND ASSISTANCE FOR MEMBERS OF THE ARMED FORCES WITH SERVICE-CONNECTED DISABILITIES AND INDIVIDUALS RESIDING OUTSIDE THE UNITED STATES.

(a) ELIGIBILITY.—Chapter 21 of title 38, United States Code, is amended by inserting after section 2101 the following new section:

''§ 2101A. Eligibility for benefits and assistance: members of the Armed Forces with service-connected disabilities; individuals residing outside the United States

''(a) MEMBERS WITH SERVICE-CONNECTED DISABILITIES.—(1) The Secretary may provide assistance under this chapter to a member of the Armed Forces serving on active duty who is suffering from a disability that meets applicable criteria for benefits under this chapter if the disability is incurred or aggravated in line of duty in the active military, naval, or air service. Such assistance shall be provided to the same extent as assistance is provided under this chapter to veterans eligible for assistance under this chapter and subject to the same requirements as veterans under this chapter.

''(2) For purposes of this chapter, any reference to a veteran or eligible individual shall be treated as a reference to a member of the Armed Forces described in subsection (a) who is similarly situated to the veteran or other eligible individual so referred to.

''(b) BENEFITS AND ASSISTANCE FOR INDIVIDUALS RESIDING OUTSIDE THE UNITED STATES.—(1) Subject to paragraph (2), the Secretary may, at the Secretary's discretion, provide benefits and assistance under this chapter (other than benefits under section 2106 of this title) to any individual otherwise eligible for such benefits and assistance who resides outside the United States.

''(2) The Secretary may provide benefits and assistance to an individual under paragraph (1) only if—

''(A) the country or political subdivision in which the housing or residence involved is or will be located permits the individual to have or acquire a beneficial property interest (as determined by the Secretary) in such housing or residence; and

''(B) the individual has or will acquire a beneficial property interest (as so determined) in such housing or residence.

''(c) REGULATIONS.—Benefits and assistance under this chapter by reason of this section shall be provided in accordance with such regulations as the Secretary may prescribe.''.

(b) CONFORMING AMENDMENTS.—

(1) REPEAL OF SUPERSEDED AUTHORITY.—Section 2101 of title 38, United States Code, is amended—

(A) by striking subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2) LIMITATIONS ON ASSISTANCE.—Section 2102 of title 38, United States Code, is amended—

(A) in subsection (a)—

(i) by striking ''veteran'' each place it appears and inserting ''individual''; and

(ii) in paragraph (3), by striking ''veteran's'' and inserting ''individual's'';

(B) in subsection (b)(1), by striking ''a veteran'' and inserting ''an individual'';

(C) in subsection (c)—

(i) by striking ''a veteran'' and inserting ''an individual''; and

(ii) by striking ''the veteran'' each place it appears and inserting ''the individual''; and

(D) in subsection (d), by striking ''a veteran'' each place it appears and inserting ''an individual''.

(3) ASSISTANCE FOR INDIVIDUALS TEMPORARILY RESIDING IN HOUSING OF FAMILY MEMBER.—Section 2102A of title 38, United States Code, is amended—

(A) by striking ''veteran'' each place it appears (other than in subsection (b)) and inserting ''individual'';

(B) in subsection (a), by striking ''veteran's'' each place it appears and inserting ''individual's''; and

(C) in subsection (b), by striking ''a veteran'' each place it appears and inserting ''an individual''.

(4) FURNISHING OF PLANS AND SPECIFICATIONS.—Section 2103 of title 38, United States Code, is amended by striking ''veterans'' both places it appears and inserting ''individuals''.

(5) CONSTRUCTION OF BENEFITS.—Section 2104 of title 38, United States Code, is amended—

(A) in subsection (a), by striking ''veteran'' each place it appears and inserting ''individual''; and

(B) in subsection (b)—

(i) in the first sentence, by striking ''A veteran'' and inserting ''An individual'';

(ii) in the second sentence, by striking ''a veteran'' and inserting ''an individual''; and

(iii) by striking ''such veteran'' each place it appears and inserting ''such individual''.

(6) VETERANS' MORTGAGE LIFE INSURANCE.—Section 2106 of title 38, United States Code, is amended—

(A) in subsection (a)—

(i) by striking ''any eligible veteran'' and inserting ''any eligible individual''; and

(ii) by striking ''the veterans'' '' and inserting ''the individual's'';

(B) in subsection (b), by striking ''an eligible veteran'' and inserting ''an eligible individual'';

(C) in subsection (e), by striking ''an eligible veteran'' and inserting ''an individual'';

(D) in subsection (h), by striking ''each veteran'' and inserting ''each individual'';

(E) in subsection (i), by striking ''the veteran's'' each place it appears and inserting ''the individual's'';

(F) by striking ''the veteran'' each place it appears and inserting ''the individual''; and

(G) by striking ''a veteran'' each place it appears and inserting ''an individual''.

(7) HEADING AMENDMENTS.—(A) The heading of section 2101 of title 38, United States Code, is amended to read as follows:

''§ 2101. Acquisition and adaptation of housing: eligible veterans''.

(B) The heading of section 2102A of such title is amended to read as follows:

''§ 2102A. Assistance for individuals residing temporarily in housing owned by a family member''.

(8) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 21 of title 38, United States Code, is amended—

(A) by striking the item relating to section 2101 and inserting the following new item:

''2101. Acquisition and adaptation of housing: eligible veterans.'';

(B) by inserting after the item relating to section 2101, as so amended, the following new item:

''2101A. Eligibility for benefits and assistance: members of the Armed Forces with service-connected disabilities; individuals residing outside the United States.'';

and

(C) by striking the item relating to section 2102A and inserting the following new item:

''2102A. Assistance for individuals residing temporarily in housing owned by a family member.''.

SEC. 2603. SPECIALLY ADAPTED HOUSING ASSISTANCE FOR INDIVIDUALS WITH SEVERE BURN INJURIES.

Section 2101 of title 38, United States Code, is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraph:

''(E) The disability is due to a severe burn injury (as determined pursuant to regulations prescribed by the Secretary).''; and

(2) in subsection (b)(2)—

(A) by striking ''either'' and inserting ''any''; and

(B) by adding at the end the following new subparagraph:

''(C) The disability is due to a severe burn injury (as so determined).''.

SEC. 2604. EXTENSION OF ASSISTANCE FOR INDIVIDUALS RESIDING TEMPORARILY IN HOUSING OWNED BY A FAMILY MEMBER.

Section 2102A(e) of title 38, United States Code, is amended by striking ''after the end of the five-year period that begins on the date of the enactment of the Veterans' Housing Opportunity and Benefits Improvement Act of 2006'' and inserting ''after December 31, 2011''.

SEC. 2605. INCREASE IN SPECIALLY ADAPTED HOUSING BENEFITS FOR DISABLED VETERANS.

(a) IN GENERAL.—Section 2102 of title 38, United States Code, is amended—

(1) in subsection (b)(2), by striking ''$10,000'' and inserting ''$12,000'';

(2) in subsection (d)—

(A) in paragraph (1), by striking ''$50,000'' and inserting ''$60,000''; and

(B) in paragraph (2), by striking ''$10,000'' and inserting ''$12,000''; and

(3) by adding at the end the following new subsection:

''(e)(1) Effective on October 1 of each year (beginning in 2009), the Secretary shall increase the amounts described in subsection (b)(2) and paragraphs (1) and (2) of subsection (d) in accordance with this subsection.

''(2) The increase in amounts under paragraph (1) to take effect on October 1 of a year shall be by an amount of such amounts equal to the percentage by which—

''(A) the residential home cost-of-construction index for the preceding calendar year, exceeds

''(B) the residential home cost-of-construction index for the year preceding the year described in subparagraph (A).

''(3) The Secretary shall establish a residential home cost-of-construction index for the purposes of this subsection. The index shall reflect a uniform, national average change in the cost of residential home construction, determined on a calendar year basis. The Secretary may use an index developed in the private sector that the Secretary determines is appropriate for purposes of this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2008, and shall apply with respect to payments made in accordance with section 2102 of title 38, United States Code, on or after that date.

SEC. 2606. REPORT ON SPECIALLY ADAPTED HOUSING FOR DISABLED INDIVIDUALS.

(a) IN GENERAL.—Not later than December 31, 2008, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report that contains an assessment of the adequacy of the authorities available to the Secretary under law to assist eligible disabled individuals in acquiring—

(1) suitable housing units with special fixtures or movable facilities required for their disabilities, and necessary land therefor;

(2) such adaptations to their residences as are reasonably necessary because of their disabilities; and

(3) residences already adapted with special features determined by the Secretary to be reasonably necessary as a result of their disabilities.

(b) FOCUS ON PARTICULAR DISABILITIES.—The report required by subsection (a) shall set forth a specific assessment of the needs of—

(1) veterans who have disabilities that are not described in subsections (a)(2) and (b)(2) of section 2101 of title 38, United States Code; and

(2) other disabled individuals eligible for specially adapted housing under chapter 21 of such title by reason of section 2101A of such title (as added by section 2602(a) of this Act) who have disabilities that are not described in such subsections.

SEC. 2607. REPORT ON SPECIALLY ADAPTED HOUSING ASSISTANCE FOR INDIVIDUALS WHO RESIDE IN HOUSING OWNED BY A FAMILY MEMBER ON PERMANENT BASIS.

Not later than December 31, 2008, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the advisability of providing assistance under section 2102A of title 38, United

States Code, to veterans described in subsection (a) of such section, and to members of the Armed Forces covered by such section 2102A by reason of section 2101A of title 38, United States Code (as added by section 2602(a) of this Act), who reside with family members on a permanent basis.

SEC. 2608. DEFINITION OF ANNUAL INCOME FOR PURPOSES OF SECTION 8 AND OTHER PUBLIC HOUSING PROGRAMS.

Section 3(b)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437a(3)(b)(4)) is amended by inserting ''or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts'' before ''may not be considered''.

SEC. 2609. PAYMENT OF TRANSPORTATION OF BAGGAGE AND HOUSEHOLD EFFECTS FOR MEMBERS OF THE ARMED FORCES WHO RELOCATE DUE TO FORECLOSURE OF LEASED HOUSING.

Section 406 of title 37, United States Code, is amended—

(1) by redesignating subsections (k) and (l) as subsections (l) and (m), respectively; and

(2) by inserting after subsection (j) the following new subsection (k):

''(k) A member of the armed forces who relocates from leased or rental housing by reason of the foreclosure of such housing is entitled to transportation of baggage and household effects under subsection (b)(1) in the same manner, and subject to the same conditions and limitations, as similarly circumstanced members entitled to transportation of baggage and household effects under that subsection.''.

DIVISION C—TAX-RELATED PROVISIONS

SECTION 3000. SHORT TITLE; ETC.

(a) SHORT TITLE.—This division may be cited as the ''Housing Assistance Tax Act of 2008''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—HOUSING TAX INCENTIVES

Subtitle A—Multi-Family Housing

PART I—LOW-INCOME HOUSING TAX CREDIT

SEC. 3001. TEMPORARY INCREASE IN VOLUME CAP FOR LOW-INCOME HOUSING TAX CREDIT.

Paragraph (3) of section 42(h) is amended by adding at the end the following new subparagraph:

''(I) INCREASE IN STATE HOUSING CREDIT CEILING FOR 2008 AND 2009.—In the case of calendar years 2008 and 2009—

''(i) the dollar amount in effect under subparagraph (C)(ii)(I) for such calendar year (after any increase under subparagraph (H)) shall be increased by $0.20, and

''(ii) the dollar amount in effect under subparagraph (C)(ii)(II) for such calendar year (after any increase under subparagraph (H)) shall be increased by an amount equal to 10 percent of such dollar amount (rounded to the next lowest multiple of $5,000).''.

SEC. 3002. DETERMINATION OF CREDIT RATE.

(a) TEMPORARY MINIMUM CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED NEW BUILDINGS.—Subsection (b) of section 42 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) TEMPORARY MINIMUM CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED NEW BUILDINGS.—In the case of any new building—

''(A) which is placed in service by the taxpayer after the date of the enactment of this paragraph and before December 31, 2013, and

''(B) which is not federally subsidized for the taxable year,

the applicable percentage shall not be less than 9 percent.''.

(b) MODIFICATIONS TO DEFINITION OF FEDERALLY SUBSIDIZED BUILDING.—

(1) IN GENERAL.—Subparagraph (A) of section 42(i)(2) is amended by striking '', or any below market Federal loan,''.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (B) of section 42(i)(2) is amended—

(i) by striking ''BALANCE OF LOAN OR'' in the heading thereof,

(ii) by striking ''loan or'' in the matter preceding clause (i), and

(iii) by striking ''subsection (d)—'' and all that follows and inserting ''subsection (d) the proceeds of such obligation.''.

(B) Subparagraph (C) of section 42(i)(2) is amended—

(i) by striking ''or below market Federal loan'' in the matter preceding clause (i),

(ii) in clause (i)—

(I) by striking ''or loan (when issued or made)'' and inserting ''(when issued)'', and

(II) by striking ''the proceeds of such obligation or loan'' and inserting ''the proceeds of such obligation'', and

(iii) by striking '', and such loan is repaid,'' in clause (ii).

(C) Paragraph (2) of section 42(i) is amended by striking subparagraphs (D) and (E).

(c) EFFECTIVE DATE.—The amendments made by this subsection shall apply to buildings placed in service after the date of the enactment of this Act.

SEC. 3003. MODIFICATIONS TO DEFINITION OF ELIGIBLE BASIS.

(a) INCREASE IN CREDIT FOR CERTAIN STATE DESIGNATED BUILDINGS.—Subparagraph (C) of section 42(d)(5) (relating to increase in credit for buildings in high cost areas), before redesignation under subsection (g), is amended by adding at the end the following new clause:

''(v) BUILDINGS DESIGNATED BY STATE HOUSING CREDIT AGENCY.—Any building which is designated by the State housing credit agency as requiring the increase in credit under this subparagraph in order for such building to be financially feasible as part of a qualified low-income housing project shall be treated for purposes of this subparagraph as located in a difficult development area which is designated for purposes of this subparagraph. The preceding sentence shall not apply to any building if paragraph (1) of subsection (h) does not apply to any portion of the eligible basis of such building by reason of paragraph (4) of such subsection.''.

(b) MODIFICATION TO REHABILITATION REQUIREMENTS.—

(1) IN GENERAL.—Clause (ii) of section 42(e)(3)(A) is amended—

(A) by striking ''10 percent'' in subclause (I) and inserting ''20 percent'', and

(B) by striking ''$3,000'' in subclause (II) and inserting ''$6,000''.

(2) INFLATION ADJUSTMENT.—Paragraph (3) of section 42(e) is amended by adding at the end the following new subparagraph:

''(D) INFLATION ADJUSTMENT.—In the case of any expenditures which are treated under paragraph (4) as placed in service during any calendar year after 2009, the $6,000 amount in subparagraph (A)(ii)(II) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2008' for 'calendar year 1992' in subparagraph (B) thereof.

Any increase under the preceding sentence which is not a multiple of $100 shall be rounded to the nearest multiple of $100.''.

(3) CONFORMING AMENDMENT.—Subclause (II) of section 42(f)(5)(B)(ii) is amended by striking ''if subsection (e)(3)(A)(ii)(II)'' and all that follows and inserting ''if the dollar amount in effect under subsection (e)(3)(A)(ii)(II) were two-thirds of such amount.''.

(c) INCREASE IN ALLOWABLE COMMUNITY SERVICE FACILITY SPACE FOR SMALL PROJECTS.—Clause (ii) of section 42(d)(4)(C) (relating to limitation) is amended by striking ''10 percent of the eligible basis of the qualified low-income housing project of which it is a part. For purposes of'' and inserting ''the sum of—

''(I) 25 percent of so much of the eligible basis of the qualified low-income housing project of which it is a part as does not exceed $15,000,000, plus

''(II) 10 percent of so much of the eligible basis of such project as is not taken into account under subclause (I).

For purposes of''.

(d) CLARIFICATION OF TREATMENT OF FEDERAL GRANTS.—Subparagraph (A) of section 42(d)(5) is amended to read as follows:

''(A) FEDERAL GRANTS NOT TAKEN INTO ACCOUNT IN DETERMINING ELIGIBLE BASIS.—The eligible basis of a building shall not include any costs financed with the proceeds of a Federally funded grant.''.

(e) SIMPLIFICATION OF RELATED PARTY RULES.—Clause (iii) of section 42(d)(2)(D), before redesignation under subsection (g)(2), is amended—

(1) by striking all that precedes subclause (II),

(2) by redesignating subclause (II) as clause (iii) and moving such clause two ems to the left, and

(3) by striking the last sentence thereof.

(f) EXCEPTION TO 10-YEAR NONACQUISITION PERIOD FOR EXISTING BUILDINGS APPLICABLE TO FEDERALLY- OR STATE-ASSISTED BUILDINGS.—Paragraph (6) of section 42(d) is amended to read as follows:

''(6) CREDIT ALLOWABLE FOR CERTAIN BUILDINGS ACQUIRED DURING 10-YEAR PERIOD DESCRIBED IN PARAGRAPH (2)(B)(ii).—

''(A) IN GENERAL.—Paragraph (2)(B)(ii) shall not apply to any Federally- or State-assisted building.

''(B) BUILDINGS ACQUIRED FROM INSURED DEPOSITORY INSTITUTIONS IN DEFAULT.—On application by the taxpayer, the Secretary may waive paragraph (2)(B)(ii) with respect to any building acquired from an insured depository institution in default (as defined in section 3 of the Federal Deposit Insurance Act) or from a receiver or conservator of such an institution.

''(C) FEDERALLY- OR STATE-ASSISTED BUILDING.—For purposes of this paragraph—

''(i) FEDERALLY-ASSISTED BUILDING.—The term 'Federally-assisted building' means any building which is substantially assisted, financed, or operated under section 8 of the United States Housing Act of 1937, section 221(d)(3), 221(d)(4), or 236 of the National Housing Act, or section 515 of the Housing Act of 1949 (as such Acts are in effect on the date of the enactment of the Tax Reform Act of 1986).

''(ii) STATE-ASSISTED BUILDING.—The term 'State-assisted building' means any building which is substantially assisted, financed, or operated under any State law similar in purposes to any of the laws referred to in clause (i).''.

(g) REPEAL OF DEADWOOD.—

(1) Clause (ii) of section 42(d)(2)(B) is amended by striking ''the later of—'' and all that follows and inserting ''the date the building was last placed in service,''.

(2) Subparagraph (D) of section 42(d)(2) is amended by striking clause (i) and by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively.

(3) Paragraph (5) of section 42(d) is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the amendments made by this subsection shall apply to buildings placed in service after the date of the enactment of this Act.

(2) REHABILITATION REQUIREMENTS.—

(A) IN GENERAL.—The amendments made by subsection (b) shall apply with respect to housing credit dollar amounts allocated after the date of the enactment of this Act.

(B) BUILDINGS NOT SUBJECT TO ALLOCATION LIMITS.—To the extent paragraph (1) of section 42(h) of the Internal Revenue Code of 1986 does not apply to any building by reason of paragraph (4) thereof, the amendments made by subsection (b) shall apply to buildings placed in service after the date of the enactment of this Act.

SEC. 3004. OTHER SIMPLIFICATION AND REFORM OF LOW-INCOME HOUSING TAX INCENTIVES.

(a) REPEAL PROHIBITION ON MODERATE REHABILITATION ASSISTANCE.—Paragraph (2) of section 42(c) (defining qualified low-income building) is amended by striking the flush sentence at the end.

(b) MODIFICATION OF TIME LIMIT FOR INCURRING 10 PERCENT OF PROJECT'S COST.—Clause (ii) of section 42(h)(1)(E) is amended by striking ''(as of the later of the date which is 6 months after the date that the allocation was made or the close of the calendar year in which the allocation is made)'' and inserting ''(as of the date which is 1 year after the date that the allocation was made)''.

(c) REPEAL OF BONDING REQUIREMENT ON DISPOSITION OF BUILDING.—Paragraph (6) of section 42(j) (relating to no recapture on disposition of building (or interest therein) where bond posted) is amended to read as follows:

''(6) NO RECAPTURE ON DISPOSITION OF BUILDING WHICH CONTINUES IN QUALIFIED USE.—

''(A) IN GENERAL.—The increase in tax under this subsection shall not apply solely by reason of the disposition of a building (or an interest therein) if it is reasonably expected that such building will continue to be operated as a qualified low-income building for the remaining compliance period with respect to such building.

''(B) STATUTE OF LIMITATIONS.—If a building (or an interest therein) is disposed of during any taxable year and there is any reduction in the qualified basis of such building which results in an increase in tax under this subsection for such taxable or any subsequent taxable year, then—

''(i) the statutory period for the assessment of any deficiency with respect to such increase in tax shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may prescribe) of such reduction in qualified basis, and

''(ii) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.''.

(d) ENERGY EFFICIENCY AND HISTORIC NATURE TAKEN INTO ACCOUNT IN MAKING ALLOCATIONS.—Subparagraph (C) of section 42(m)(1) (relating to plans for allocation of credit among projects) is amended by striking ''and'' at the end of clause (vii), by striking the period at the end of clause (viii) and inserting a comma, and by adding at the end the following new clauses:

''(ix) the energy efficiency of the project, and

''(x) the historic nature of the project.''.

(e) CONTINUED ELIGIBILITY FOR STUDENTS WHO RECEIVED FOSTER CARE ASSISTANCE.—Clause (i) of section 42(i)(3)(D) is amended by striking ''or'' at the end of subclause (I), by redesignating subclause (II) as subclause (III), and by inserting after subclause (I) the following new subclause:

''(II) a student who was previously under the care and placement responsibility of the State agency responsible for administering a plan under part B or part E of title IV of the Social Security Act, or''.

(f) TREATMENT OF RURAL PROJECTS.—Section 42(i) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(8) TREATMENT OF RURAL PROJECTS.—For purposes of this section, in the case of any project for residential rental property located in a rural area (as defined in section 520 of the Housing Act of 1949), any income limitation measured by reference to area median gross income shall be measured by reference to the greater of area median gross income or national non-metropolitan median income. The preceding sentence shall not apply with respect to any building if paragraph (1) of section 42(h) does not apply by reason of paragraph (4) thereof to any portion of the credit determined under this section with respect to such building.''.

(g) CLARIFICATION OF GENERAL PUBLIC USE REQUIREMENT.—Subsection (c) of section 42 is amended by adding at the end the following new paragraph:

''(3) CLARIFICATION OF GENERAL PUBLIC USE REQUIREMENT.—

''(A) IN GENERAL.—A building which meets the requirements of subparagraph (B) shall not fail to be treated as a qualified low-income building solely because occupancy in such building is restricted to individuals who have special needs, share a common occupation or common interests, or are members of a specified group based on Federal, State, or local programs or requirements.

''(B) BASIC PUBLIC USE REQUIREMENTS.—A building meets the requirements of this subparagraph if—

''(i) such building is used consistent with housing policy governing non-discrimination as evidenced by rules and regulations of the Department of Housing and Urban Development,

''(ii) occupancy in such building is not restricted on the basis of membership in a social organization or on the basis of employment by specific employers, and

''(iii) such building is not part of a hospital, nursing home, sanitarium, lifecare facility, trailer park, or intermediate care facility for the mentally or physically handicapped.''.

(h) GAO STUDY REGARDING MODIFICATIONS TO LOW-INCOME HOUSING TAX CREDIT.—Not later than December 31, 2012, the Comptroller General of the United States shall submit to Congress a report which analyzes the implementation of the modifications made by this subtitle to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986. Such report shall include an analysis of the distribution of credit allocations before and after the effective date of such modifications.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to buildings placed in service after the date of the enactment of this Act.

(2) REPEAL OF BONDING REQUIREMENT ON DISPOSITION OF BUILDING.—The amendment made by subsection (c) shall apply to—

(A) interests in buildings disposed after the date of the enactment of this Act, and

(B) interests in buildings disposed of on or before such date if—

(i) it is reasonably expected that such building will continue to be operated as a qualified low-income building (within the meaning of section 42 of the Internal Revenue Code of 1986) for the remaining compliance period (within the meaning of such section) with respect to such building, and

(ii) the taxpayer elects the application of this subparagraph with respect to such disposition.

(3) ENERGY EFFICIENCY AND HISTORIC NATURE TAKEN INTO ACCOUNT IN MAKING ALLOCATIONS.—The amendments made by subsection (d) shall apply to allocations made after December 31, 2008.

(4) CONTINUED ELIGIBILITY FOR STUDENTS WHO RECEIVED FOSTER CARE ASSISTANCE.—The amendments made by subsection (e) shall apply to determinations made after the date of the enactment of this Act.

(5) TREATMENT OF RURAL PROJECTS.—The amendment made by subsection (f) shall apply to determinations made after the date of the enactment of this Act.

(6) CLARIFICATION OF GENERAL PUBLIC USE REQUIREMENT.—The amendment made by subsection (g) shall apply to buildings placed in service before, on, or after the date of the enactment of this Act.

SEC. 3005. TREATMENT OF MILITARY BASIC PAY.

(a) IN GENERAL.—Subparagraph (B) of section 142(d)(2) (relating to income of individuals; area median gross income) is amended—

(1) by striking ''The income'' and inserting the following:

''(i) IN GENERAL.—The income'', and

(2) by adding at the end the following:

''(ii) SPECIAL RULE RELATING TO BASIC HOUSING ALLOWANCES.—For purposes of determining income under this subparagraph, payments under section 403 of title 37, United States Code, as a basic pay allowance for housing shall be disregarded with respect to any qualified building.

''(iii) QUALIFIED BUILDING.—For purposes of clause (ii), the term 'qualified building' means any building located—

''(I) in any county in which is located a qualified military installation to which the number of members of the Armed Forces of the United States assigned to units based out of such qualified military installation, as of June 1, 2008, has increased by not less than 20 percent, as compared to such number on December 31, 2005, or

''(II) in any county adjacent to a county described in subclause (I).

''(iv) QUALIFIED MILITARY INSTALLATION.—For purposes of clause (iii), the term 'qualified military installation' means any military installation or facility the number of members of the Armed Forces of the United States assigned to which, as of June 1, 2008, is not less than 1,000.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) determinations made after the date of the enactment of this Act and before January 1, 2012, in the case of any qualified building (as defined in section 142(d)(2)(B)(iii) of the Internal Revenue Code of 1986)—

(A) with respect to which housing credit dollar amounts have been allocated before the date of the enactment of this Act, or

(B) with respect to buildings placed in service before such date of enactment, to the extent paragraph (1) of section 42(h) of such Code does not apply to such building by reason of paragraph (4) thereof, but only with respect to bonds issued before such date of enactment, and

(2) determinations made after the date of enactment of this Act, in the case of qualified buildings (as so defined)—

(A) with respect to which housing credit dollar amounts are allocated after the date of the enactment of this Act and before January 1, 2012, or

(B) with respect to which buildings placed in service after the date of enactment of this Act and before January 1, 2012, to the extent paragraph (1) of section 42(h) of such Code does not apply to such building by reason of paragraph (4) thereof, but only with respect to bonds issued after such date of enactment and before January 1, 2012.

PART II—MODIFICATIONS TO TAX-EXEMPT HOUSING BOND RULES

SEC. 3007. RECYCLING OF TAX-EXEMPT DEBT FOR FINANCING RESIDENTIAL RENTAL PROJECTS.

(a) IN GENERAL.—Subsection (i) of section 146 (relating to treatment of refunding issues) is amended by adding at the end the following new paragraph:

''(6) TREATMENT OF CERTAIN RESIDENTIAL RENTAL PROJECT BONDS AS REFUNDING BONDS IRRESPECTIVE OF OBLIGOR.—

''(A) IN GENERAL.—If, during the 6-month period beginning on the date of a repayment of a loan financed by an issue 95 percent or more of the net proceeds of which are used to provide projects described in section 142(d), such repayment is used to provide a new loan for any project so described, any bond which is issued to refinance such issue shall be treated as a refunding issue to the extent the principal amount of such refunding issue does not exceed the principal amount of the bonds refunded.

''(B) LIMITATIONS.—Subparagraph (A) shall apply to only one refunding of the original issue and only if—

''(i) the refunding issue is issued not later than 4 years after the date on which the original issue was issued,

''(ii) the latest maturity date of any bond of the refunding issue is not later than 34 years after the date on which the refunded bond was issued, and

''(iii) the refunding issue is approved in accordance with section 147(f) before the issuance of the refunding issue.''.

(b) LOW-INCOME HOUSING CREDIT.—Clause (ii) of section 42(h)(4)(A) is amended by inserting ''or such financing is refunded as described in section 146(i)(6)'' before the period at the end.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to repayments of loans received after the date of the enactment of this Act.

SEC. 3008. COORDINATION OF CERTAIN RULES APPLICABLE TO LOW-INCOME HOUSING CREDIT AND QUALIFIED RESIDENTIAL RENTAL PROJECT EXEMPT FACILITY BONDS.

(a) DETERMINATION OF NEXT AVAILABLE UNIT.—Paragraph (3) of section 142(d) (relating to current income determinations) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR PROJECTS WITH RESPECT TO WHICH AFFORDABLE HOUSING CREDIT IS ALLOWED.—In the case of a project with respect to which credit is allowed under section 42, the second sentence of subparagraph (B) shall be applied by substituting 'building (within the meaning of section 42)' for 'project'.''.

(b) STUDENTS.—Paragraph (2) of section 142(d) (relating to definitions and special rules) is amended by adding at the end the following new subparagraph:

''(C) STUDENTS.—Rules similar to the rules of 42(i)(3)(D) shall apply for purposes of this subsection.''.

(c) SINGLE-ROOM OCCUPANCY UNITS.—Paragraph (2) of section 142(d) (relating to definitions and special rules), as amended by subsection (b), is amended by adding at the end the following new subparagraph:

''(D) SINGLE-ROOM OCCUPANCY UNITS.—A unit shall not fail to be treated as a residential unit merely because such unit is a single-room occupancy unit (within the meaning of section 42).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to determinations of the status of qualified residential rental projects for periods beginning after the date of the enactment of this Act, with respect to bonds issued before, on, or after such date.

PART III—REFORMS RELATED TO THE LOW-INCOME HOUSING CREDIT AND TAX-EXEMPT HOUSING BONDS

SEC. 3009. HOLD HARMLESS FOR REDUCTIONS IN AREA MEDIAN GROSS INCOME.

(a) IN GENERAL.—Paragraph (2) of section 142(d), as amended by section 3008, is amended by adding at the end the following new subparagraph:

''(E) HOLD HARMLESS FOR REDUCTIONS IN AREA MEDIAN GROSS INCOME.—

''(i) IN GENERAL.—Any determination of area median gross income under subparagraph (B) with respect to any project for any calendar year after 2008 shall not be less than the area median gross income determined under such subparagraph with respect to such project for the calendar year preceding the calendar year for which such determination is made.

''(ii) SPECIAL RULE FOR CERTAIN CENSUS CHANGES.—In the case of a HUD hold harmless impacted project, the area median gross income with respect to such project for any calendar year after 2008 (hereafter in this clause referred to as the current calendar year) shall be the greater of the amount determined without regard to this clause or the sum of—

''(I) the area median gross income determined under the HUD hold harmless policy with respect to such project for calendar year 2008, plus

''(II) any increase in the area median gross income determined under subparagraph (B) (determined without regard to the HUD hold harmless policy and this subparagraph) with respect to such project for the current calendar year over the area median gross income (as so determined) with respect to such project for calendar year 2008.

''(iii) HUD HOLD HARMLESS POLICY.—The term 'HUD hold harmless policy' means the regulations under which a policy similar to the rules of clause (i) applied to prevent a change in the method of determining area median gross income from resulting in a reduction in the area median gross income determined with respect to certain projects in calendar years 2007 and 2008.

''(iv) HUD HOLD HARMLESS IMPACTED PROJECT.—The term 'HUD hold harmless impacted project' means any project with respect to which area median gross income was determined under subparagraph (B) for calendar year 2007 or 2008 if such determination would have been less but for the HUD hold harmless policy.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to determinations of area median gross income for calendar years after 2008.

SEC. 3010. EXCEPTION TO ANNUAL CURRENT INCOME DETERMINATION REQUIREMENT WHERE DETERMINATION NOT RELEVANT.

(a) IN GENERAL.—Subparagraph (A) of section 142(d)(3) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply with respect to any project for any year if during such year no residential unit in the project is occupied by a new resident whose income exceeds the applicable income limit.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years ending after the date of the enactment of this Act.

Subtitle B—Single Family Housing

SEC. 3011. FIRST-TIME HOMEBUYER CREDIT.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 is amended by redesignating section 36 as section 37 and by inserting after section 35 the following new section:

''SEC. 36. FIRST-TIME HOMEBUYER CREDIT.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who is a first-time homebuyer of a principal residence in the United States during a taxable year, there shall be allowed as a credit against the tax imposed by this subtitle for such taxable year an amount equal to 10 percent of the purchase price of the residence.

''(b) LIMITATIONS.—

''(1) DOLLAR LIMITATION.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, the credit allowed under subsection (a) shall not exceed $8,000.

''(B) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of a married individual filing a separate return, subparagraph (A) shall be applied by substituting '$4,000' for '$8,000'.

''(C) OTHER INDIVIDUALS.—If two or more individuals who are not married purchase a principal residence, the amount of the credit allowed under subsection (a) shall be allocated among such individuals in such manner as the Secretary may prescribe, except that the total amount of the credits allowed to all such individuals shall not exceed $8,000.

''(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The amount allowable as a credit under subsection (a) (determined without regard to this paragraph) for the taxable year shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which is so allowable as—

''(i) the excess (if any) of—

''(I) the taxpayer's modified adjusted gross income for such taxable year, over

''(II) $75,000 ($150,000 in the case of a joint return), bears to

''(ii) $20,000.

''(B) MODIFIED ADJUSTED GROSS INCOME.—For purposes of subparagraph (A), the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

''(c) DEFINITIONS.—For purposes of this section—

''(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of the purchase of the principal residence to which this section applies.

''(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121.

''(3) PURCHASE.—

''(A) IN GENERAL.—The term 'purchase' means any acquisition, but only if—

''(i) the property is not acquired from a person related to the person acquiring it, and

''(ii) the basis of the property in the hands of the person acquiring it is not determined—

''(I) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

''(II) under section 1014(a) (relating to property acquired from a decedent).

''(B) CONSTRUCTION.—A residence which is constructed by the taxpayer shall be treated

as purchased by the taxpayer on the date the taxpayer first occupies such residence.

''(4) PURCHASE PRICE.—The term 'purchase price' means the adjusted basis of the principal residence on the date such residence is purchased.

''(5) RELATED PERSONS.—A person shall be treated as related to another person if the relationship between such persons would result in the disallowance of losses under section 267 or 707(b) (but, in applying section 267(b) and (c) for purposes of this section, paragraph (4) of section 267(c) shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants).

''(d) EXCEPTIONS.—No credit under subsection (a) shall be allowed to any taxpayer for any taxable year with respect to the purchase of a residence if—

''(1) a credit under section 1400C (relating to first-time homebuyer in the District of Columbia) is allowable to the taxpayer (or the taxpayer's spouse) for such taxable year or any prior taxable year,

''(2) the residence is financed by the proceeds of a qualified mortgage issue the interest on which is exempt from tax under section 103,

''(3) the taxpayer is a nonresident alien, or

''(4) the taxpayer disposes of such residence (or such residence ceases to be the principal residence of the taxpayer (and, if married, the taxpayer's spouse)) before the close of such taxable year.

''(e) REPORTING.—If the Secretary requires information reporting under section 6045 by a person described in subsection (e)(2) thereof to verify the eligibility of taxpayers for the credit allowable by this section, the exception provided by section 6045(e) shall not apply.

''(f) RECAPTURE OF CREDIT.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, if a credit under subsection (a) is allowed to a taxpayer, the tax imposed by this chapter shall be increased by 6⅔ percent of the amount of such credit for each taxable year in the recapture period.

''(2) ACCELERATION OF RECAPTURE.—If a taxpayer disposes of the principal residence with respect to which a credit was allowed under subsection (a) (or such residence ceases to be the principal residence of the taxpayer (and, if married, the taxpayer's spouse)) before the end of the recapture period—

''(A) the tax imposed by this chapter for the taxable year of such disposition or cessation, shall be increased by the excess of the amount of the credit allowed over the amounts of tax imposed by paragraph (1) for preceding taxable years, and

''(B) paragraph (1) shall not apply with respect to such credit for such taxable year or any subsequent taxable year.

''(3) LIMITATION BASED ON GAIN.—In the case of the sale of the principal residence to a person who is not related to the taxpayer, the increase in tax determined under paragraph (2) shall not exceed the amount of gain (if any) on such sale. Solely for purposes of the preceding sentence, the adjusted basis of such residence shall be reduced by the amount of the credit allowed under subsection (a) to the extent not previously recaptured under paragraph (1).

''(4) EXCEPTIONS.—

''(A) DEATH OF TAXPAYER.—Paragraphs (1) and (2) shall not apply to any taxable year ending after the date of the taxpayer's death.

''(B) INVOLUNTARY CONVERSION.—Paragraph (2) shall not apply in the case of a residence which is compulsorily or involuntarily converted (within the meaning of section 1033(a)) if the taxpayer acquires a new principal residence during the 2-year period beginning on the date of the disposition or cessation referred to in paragraph (2). Paragraph (2) shall apply to such new principal residence during the recapture period in the same manner as if such new principal residence were the converted residence.

''(C) TRANSFERS BETWEEN SPOUSES OR INCIDENT TO DIVORCE.—In the case of a transfer of a residence to which section 1041(a) applies—

''(i) paragraph (2) shall not apply to such transfer, and

''(ii) in the case of taxable years ending after such transfer, paragraphs (1) and (2) shall apply to the transferee in the same manner as if such transferee were the transferor (and shall not apply to the transferor).

''(5) JOINT RETURNS.—In the case of a credit allowed under subsection (a) with respect to a joint return, half of such credit shall be treated as having been allowed to each individual filing such return for purposes of this subsection.

''(6) RECAPTURE PERIOD.—For purposes of this subsection, the term 'recapture period' means the 15 taxable years beginning with the second taxable year following the taxable year in which the purchase of the principal residence for which a credit is allowed under subsection (a) was made.

''(g) APPLICATION OF SECTION.—This section shall only apply to a principal residence purchased by the taxpayer on or after April 9, 2008, and before April 1, 2009.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 26(b)(2) is amended by striking ''and'' at the end of subparagraph (U), by striking the period and inserting '', and'' and the end of subparagraph (V), and by inserting after subparagraph (V) the following new subparagraph:

''(W) section 36(f) (relating to recapture of homebuyer credit).''.

(2) Section 6211(b)(4)(A) is amended by striking ''34,'' and all that follows through ''6428'' and inserting ''34, 35, 36, 53(e), and 6428''.

(3) Section 1324(b)(2) of title 31, United States Code, is amended by inserting '', 36,'' after ''section 35''.

(4) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by redesignating the item relating to section 36 as an item relating to section 37 and by inserting before such item the following new item:

''Sec. 36. First-time homebuyer credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to residences purchased on or after April 9, 2008, in taxable years ending on or after such date.

SEC. 3012. ADDITIONAL STANDARD DEDUCTION FOR REAL PROPERTY TAXES FOR NONITEMIZERS.

(a) IN GENERAL.—Section 63(c)(1) (defining standard deduction) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) in the case of any taxable year beginning in 2008, the real property tax deduction.''.

(b) DEFINITION.—Section 63(c) is amended by adding at the end the following new paragraph:

''(8) REAL PROPERTY TAX DEDUCTION.—

''(A) IN GENERAL.—For purposes of paragraph (1), the real property tax deduction is the lesser of—

''(i) the amount allowable as a deduction under this chapter for State and local taxes described in section 164(a)(1), or

''(ii) $500 ($1,000 in the case of a joint return).

Any taxes taken into account under section 62(a) shall not be taken into account under this paragraph.

''(B) EXCEPTION.—The real property tax deduction shall not be allowed in the case of a taxpayer living in a jurisdiction in which the rate of tax for all residential real property taxes is increased, net of any tax rebates, through rate increases or the repeal or reduction of otherwise applicable deductions, credits, or offsets, at any time after the date of the enactment of this paragraph and before December 31, 2008. This subparagraph shall not apply in the case of a jurisdiction in which the rate of tax for all residential real property taxes is increased pursuant to an equalization policy in effect before the date of the enactment of this paragraph or as a result of any votes of the residents of such jurisdiction to increase funding for preschool, primary, secondary, or higher education.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

Subtitle C—General Provisions

SEC. 3021. TEMPORARY LIBERALIZATION OF TAX-EXEMPT HOUSING BOND RULES.

(a) TEMPORARY INCREASE IN VOLUME CAP.—

(1) IN GENERAL.—Subsection (d) of section 146 is amended by adding at the end the following new paragraph:

''(5) INCREASE AND SET ASIDE FOR HOUSING BONDS FOR 2008.—

''(A) INCREASE FOR 2008.—In the case of calendar year 2008, the State ceiling for each State shall be increased by an amount equal to $11,000,000,000 multiplied by a fraction—

''(i) the numerator of which is the State ceiling applicable to the State for calendar year 2008, determined without regard to this paragraph, and

''(ii) the denominator of which is the sum of the State ceilings determined under clause (i) for all States.

''(B) SET ASIDE.—

''(i) IN GENERAL.—Any amount of the State ceiling for any State which is attributable to an increase under this paragraph shall be allocated solely for one or more qualified housing issues.

''(ii) QUALIFIED HOUSING ISSUE.—For purposes of this paragraph, the term 'qualified housing issue' means—

''(I) an issue described in section 142(a)(7) (relating to qualified residential rental projects), or

''(II) a qualified mortgage issue (determined by substituting '12-month period' for '42-month period' each place it appears in section 143(a)(2)(D)(i)).''.

(2) CARRYFORWARD OF UNUSED LIMITATIONS.—Subsection (f) of section 146 is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULES FOR INCREASED VOLUME CAP UNDER SUBSECTION (d)(5).—No amount which is attributable to the increase under subsection (d)(5) may be used—

''(A) for any issue other than a qualified housing issue (as defined in subsection (d)(5)), or

''(B) to issue any bond after calendar year 2010.''.

(b) TEMPORARY RULE FOR USE OF QUALIFIED MORTGAGE BONDS PROCEEDS FOR SUBPRIME REFINANCING LOANS.—

(1) IN GENERAL.—Section 143(k) (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

''(12) SPECIAL RULES FOR SUBPRIME REFINANCINGS.—

''(A) IN GENERAL.—Notwithstanding the requirements of subsection (i)(1), the proceeds of a qualified mortgage issue may be used to refinance a mortgage on a residence which was originally financed by the mortgagor through a qualified subprime loan.

''(B) SPECIAL RULES.—In applying subparagraph (A) to any refinancing—

''(i) subsection (a)(2)(D)(i) shall be applied by substituting '12-month period' for '42-month period' each place it appears,

''(ii) subsection (d) (relating to 3-year requirement) shall not apply, and

''(iii) subsection (e) (relating to purchase price requirement) shall be applied by using the market value of the residence at the time of refinancing in lieu of the acquisition cost.

''(C) QUALIFIED SUBPRIME LOAN.—The term 'qualified subprime loan' means an adjustable rate single-family residential mortgage loan made after December 31, 2001, and before January 1, 2008, that the bond issuer determines would be reasonably likely to cause financial hardship to the borrower if not refinanced.

''(D) TERMINATION.—This paragraph shall not apply to any bonds issued after December 31, 2010.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 3022. REPEAL OF ALTERNATIVE MINIMUM TAX LIMITATIONS ON TAX-EXEMPT HOUSING BONDS, LOW-INCOME HOUSING TAX CREDIT, AND REHABILITATION CREDIT.

(a) TAX-EXEMPT INTEREST ON CERTAIN HOUSING BONDS EXEMPTED FROM ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subparagraph (C) of section 57(a)(5) (relating to specified private activity bonds) is amended by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively, and by inserting after clause (ii) the following new clause:

''(iii) EXCEPTION FOR CERTAIN HOUSING BONDS.—For purposes of clause (i), the term 'private activity bond' shall not include any bond issued after the date of the enactment of this clause if such bond is—

''(I) an exempt facility bond issued as part of an issue 95 percent or more of the net proceeds of which are to be used to provide qualified residential rental projects (as defined in section 142(d)),

''(II) a qualified mortgage bond (as defined in section 143(a)), or

''(III) a qualified veterans' mortgage bond (as defined in section 143(b)).

The preceding sentence shall not apply to any refunding bond unless such preceding sentence applied to the refunded bond (or in the case of a series of refundings, the original bond).''.

(2) NO ADJUSTMENT TO ADJUSTED CURRENT EARNINGS.—Subparagraph (B) of section 56(g)(4) is amended by adding at the end the following new clause:

''(iii) TAX EXEMPT INTEREST ON CERTAIN HOUSING BONDS.—Clause (i) shall not apply in the case of any interest on a bond to which section 57(a)(5)(C)(iii) applies.''.

(b) ALLOWANCE OF LOW-INCOME HOUSING CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) (relating to specified credits) is amended by redesignating clauses (ii) through (iv) as clauses (iii) through (v) and inserting after clause (i) the following new clause:

''(ii) the credit determined under section 42 to the extent attributable to buildings placed in service after December 31, 2007,''.

(c) ALLOWANCE OF REHABILITATION CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4), as amended by subsection (b), 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) the credit determined under section 47 to the extent attributable to qualified rehabilitation expenditures properly taken into account for periods after December 31, 2007, and''.

(d) EFFECTIVE DATE.—

(1) HOUSING BONDS.—The amendments made by subsection (a) shall apply to bonds issued after the date of the enactment of this Act.

(2) LOW INCOME HOUSING CREDIT.—The amendments made by subsection (b) shall apply to credits determined under section 42 of the Internal Revenue Code of 1986 to the extent attributable to buildings placed in service after December 31, 2007.

(3) REHABILITATION CREDIT.—The amendments made by subsection (c) shall apply to credits determined under section 47 of the Internal Revenue Code of 1986 to the extent attributable to qualified rehabilitation expenditures properly taken into account for periods after December 31, 2007.

SEC. 3023. BONDS GUARANTEED BY FEDERAL HOME LOAN BANKS ELIGIBLE FOR TREATMENT AS TAX-EXEMPT BONDS.

(a) IN GENERAL.—Subparagraph (A) of section 149(b)(3) (relating to exceptions for certain insurance programs) is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', or'' and by adding at the end the following new clause:

''(iv) subject to subparagraph (E), any guarantee by a Federal home loan bank made in connection with the original issuance of a bond during the period beginning on the date of the enactment of this clause and ending on December 31, 2010 (or a renewal or extension of a guarantee so made).''.

(b) SAFETY AND SOUNDNESS REQUIREMENTS.—Paragraph (3) of section 149(b) is amended by adding at the end the following new subparagraph:

''(E) SAFETY AND SOUNDNESS REQUIREMENTS FOR FEDERAL HOME LOAN BANKS.—Clause (iv) of subparagraph (A) shall not apply to any guarantee by a Federal home loan bank unless such bank meets safety and soundness collateral requirements for such guarantees which are at least as stringent as such requirements which apply under regulations applicable to such guarantees by Federal home loan banks as in effect on April 9, 2008.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to guarantees made after the date of the enactment of this Act.

SEC. 3024. MODIFICATION OF RULES PERTAINING TO FIRPTA NONFOREIGN AFFIDAVITS.

(a) IN GENERAL.—Subsection (b) of section 1445 (relating to exemptions) is amended by adding at the end the following:

''(9) ALTERNATIVE PROCEDURE FOR FURNISHING NONFOREIGN AFFIDAVIT.—For purposes of paragraphs (2) and (7)—

''(A) IN GENERAL.—Paragraph (2) shall be treated as applying to a transaction if, in connection with a disposition of a United States real property interest—

''(i) the affidavit specified in paragraph (2) is furnished to a qualified substitute, and

''(ii) the qualified substitute furnishes a statement to the transferee stating, under penalty of perjury, that the qualified substitute has such affidavit in his possession.

''(B) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph.''.

(b) QUALIFIED SUBSTITUTE.—Subsection (f) of section 1445 (relating to definitions) is amended by adding at the end the following new paragraph:

''(6) QUALIFIED SUBSTITUTE.—The term 'qualified substitute' means, with respect to a disposition of a United States real property interest—

''(A) the person (including any attorney or title company) responsible for closing the transaction, other than the transferor's agent, and

''(B) the transferee's agent.''.

(c) EXEMPTION NOT TO APPLY IF KNOWLEDGE OR NOTICE THAT AFFIDAVIT OR STATEMENT IS FALSE.—

(1) IN GENERAL.—Paragraph (7) of section 1445(b) (relating to special rules for paragraphs (2) and (3)) is amended to read as follows:

''(7) SPECIAL RULES FOR PARAGRAPHS (2), (3), AND (9).—Paragraph (2), (3), or (9) (as the case may be) shall not apply to any disposition—

''(A) if—

''(i) the transferee or qualified substitute has actual knowledge that the affidavit referred to in such paragraph, or the statement referred to in paragraph (9)(A)(ii), is false, or

''(ii) the transferee or qualified substitute receives a notice (as described in subsection (d)) from a transferor's agent, transferee's agent, or qualified substitute that such affidavit or statement is false, or

''(B) if the Secretary by regulations requires the transferee or qualified substitute to furnish a copy of such affidavit or statement to the Secretary and the transferee or qualified substitute fails to furnish a copy of such affidavit or statement to the Secretary at such time and in such manner as required by such regulations.''.

(2) LIABILITY.—

(A) NOTICE.—Paragraph (1) of section 1445(d) (relating to notice of false affidavit; foreign corporations) is amended to read as follows:

''(1) NOTICE OF FALSE AFFIDAVIT; FOREIGN CORPORATIONS.—If—

''(A) the transferor furnishes the transferee or qualified substitute an affidavit described in paragraph (2) of subsection (b) or a domestic corporation furnishes the transferee an affidavit described in paragraph (3) of subsection (b), and

''(B) in the case of—

''(i) any transferor's agent—

''(I) such agent has actual knowledge that such affidavit is false, or

''(II) in the case of an affidavit described in subsection (b)(2) furnished by a corporation, such corporation is a foreign corporation, or

''(ii) any transferee's agent or qualified substitute, such agent or substitute has actual knowledge that such affidavit is false,

such agent or qualified substitute shall so notify the transferee at such time and in such manner as the Secretary shall require by regulations.''.

(B) FAILURE TO FURNISH NOTICE.—Paragraph (2) of section 1445(d) (relating to failure to furnish notice) is amended to read as follows:

''(2) FAILURE TO FURNISH NOTICE.—

''(A) IN GENERAL.—If any transferor's agent, transferee's agent, or qualified substitute is required by paragraph (1) to furnish notice, but fails to furnish such notice at such time or times and in such manner as may be required by regulations, such agent or substitute shall have the same duty to deduct and withhold that the transferee would have had if such agent or substitute had complied with paragraph (1).

''(B) LIABILITY LIMITED TO AMOUNT OF COMPENSATION.—An agent's or substitute's liability under subparagraph (A) shall be limited to the amount of compensation the agent or substitute derives from the transaction.''.

(C) CONFORMING AMENDMENT.—The heading for section 1445(d) is amended by striking ''OR TRANSFEREE'S AGENTS'' and inserting '', TRANSFEREE'S AGENTS, OR QUALIFIED SUBSTITUTES''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions of United States real property interests after the date of the enactment of this Act.

SEC. 3025. MODIFICATION OF DEFINITION OF TAX-EXEMPT USE PROPERTY FOR PURPOSES OF THE REHABILITATION CREDIT.

(a) IN GENERAL.—Subclause (I) of section 47(c)(2)(B)(v) is amended by striking ''section 168(h)'' and inserting ''section 168(h), except that '50 percent' shall be substituted for '35 percent' in paragraph (1)(B)(iii) thereof''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures properly taken into account for periods after December 31, 2007.

SEC. 3026. EXTENSION OF SPECIAL RULE FOR MORTGAGE REVENUE BONDS FOR RESIDENCES LOCATED IN DISASTER AREAS.

(a) IN GENERAL.—Paragraph (11) of section 143(k) is amended—

(1) by striking ''December 31, 1996'' and inserting ''May 1, 2008'', and

(2) by striking ''January 1, 1999'' and inserting ''January 1, 2010''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after May 1, 2008.

TITLE II—REFORMS RELATED TO REAL ESTATE INVESTMENT TRUSTS

Subtitle A—Foreign Currency and Other Qualified Activities

SEC. 3031. REVISIONS TO REIT INCOME TESTS.

(a) FOREIGN CURRENCY GAINS NOT GROSS INCOME IN APPLYING REIT INCOME TESTS.—Section 856 (defining real estate investment trust) is amended by adding at the end the following new subsection:

''(n) RULES REGARDING FOREIGN CURRENCY TRANSACTIONS.—

''(1) IN GENERAL.—For purposes of this part—

''(A) passive foreign exchange gain for any taxable year shall not constitute gross income for purposes of subsection (c)(2), and

''(B) real estate foreign exchange gain for any taxable year shall not constitute gross income for purposes of subsection (c)(3).

''(2) REAL ESTATE FOREIGN EXCHANGE GAIN.—For purposes of this subsection, the term 'real estate foreign exchange gain' means—

''(A) foreign currency gain (as defined in section 988(b)(1)) which is attributable to—

''(i) any item of income or gain described in subsection (c)(3),

''(ii) the acquisition or ownership of obligations secured by mortgages on real property or on interests in real property (other than foreign currency gain attributable to any item of income or gain described in clause (i)), or

''(iii) becoming or being the obligor under obligations secured by mortgages on real property or on interests in real property (other than foreign currency gain attributable to any item of income or gain described in clause (i)),

''(B) section 987 gain attributable to a qualified business unit (as defined by section 989) of the real estate investment trust, but only if such qualified business unit meets the requirements under—

''(i) subsection (c)(3) for the taxable year, and

''(ii) subsection (c)(4)(A) at the close of each quarter that the real estate investment trust has directly or indirectly held the qualified business unit, and

''(C) any other foreign currency gain as determined by the Secretary.

''(3) PASSIVE FOREIGN EXCHANGE GAIN.—For purposes of this subsection, the term 'passive foreign exchange gain' means—

''(A) real estate foreign exchange gain,

''(B) foreign currency gain (as defined in section 988(b)(1)) which is not described in subparagraph (A) and which is attributable to—

''(i) any item of income or gain described in subsection (c)(2),

''(ii) the acquisition or ownership of obligations (other than foreign currency gain attributable to any item of income or gain described in clause (i)), or

''(iii) becoming or being the obligor under obligations (other than foreign currency gain attributable to any item of income or gain described in clause (i)), and

''(C) any other foreign currency gain as determined by the Secretary.

''(4) EXCEPTION FOR INCOME FROM SUBSTANTIAL AND REGULAR TRADING.—Notwithstanding this subsection or any other provision of this part, any section 988 gain derived by a corporation, trust, or association from engaging in substantial and regular trading or dealing in securities (as defined in section 475(c)(2)) shall constitute gross income which does not qualify under paragraph (2) or (3) of subsection (c). This paragraph shall not apply to income which does not constitute gross income by reason of subsection (c)(5)(G).''.

(b) ADDITION TO REIT HEDGING RULE.—Subparagraph (G) of section 856(c)(5) is amended to read as follows:

''(G) TREATMENT OF CERTAIN HEDGING INSTRUMENTS.—Except to the extent as determined by the Secretary—

''(i) any income of a real estate investment trust from a hedging transaction (as defined in clause (ii) or (iii) of section 1221(b)(2)(A)) which is clearly identified pursuant to section 1221(a)(7), including gain from the sale or disposition of such a transaction, shall not constitute gross income under paragraphs (2) and (3) to the extent that the transaction hedges any indebtedness incurred or to be incurred by the trust to acquire or carry real estate assets, and

''(ii) any income of a real estate investment trust from a transaction entered into by the trust primarily to manage risk of currency fluctuations with respect to any item of income or gain described in paragraph (2) or (3) (or any property which generates such income or gain), including gain from the termination of such a transaction, shall not constitute gross income under paragraphs (2) and (3), but only if such transaction is clearly identified as such before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may prescribe).''.

(c) AUTHORITY TO EXCLUDE ITEMS OF INCOME FROM REIT INCOME TESTS.—Section 856(c)(5), as amended by the Heartland, Habitat, Harvest, and Horticulture Act of 2008, is amended by adding at the end the following new subparagraph:

''(J) SECRETARIAL AUTHORITY TO EXCLUDE OTHER ITEMS OF INCOME.—To the extent necessary to carry out the purposes of this part, the Secretary is authorized to determine, solely for purposes of this part, whether any item of income or gain which—

''(i) does not otherwise qualify under paragraph (2) or (3) may be considered as not constituting gross income, or

''(ii) otherwise constitutes gross income not qualifying under paragraph (2) or (3) may be considered as gross income which qualifies under paragraph (2) or (3).''.

SEC. 3032. REVISIONS TO REIT ASSET TESTS.

(a) CLARIFICATION OF VALUATION TEST.—The first sentence in the matter following section 856(c)(4)(B)(iii)(III) is amended by inserting ''(including a discrepancy caused solely by the change in the foreign currency exchange rate used to value a foreign asset)'' after ''such requirements''.

(b) CLARIFICATION OF PERMISSIBLE ASSET CATEGORY.—Section 856(c)(5), as amended by section 3031(c), is amended by adding at the end the following new subparagraph:

''(K) CASH.—If the real estate investment trust or its qualified business unit (as defined in section 989) uses any foreign currency as its functional currency (as defined in section 985(b)), the term 'cash' includes such foreign currency but only to the extent such foreign currency—

''(i) is held for use in the normal course of the activities of the trust or qualified business unit which give rise to items of income or gain described in paragraph (2) or (3) of subsection (c) or are directly related to acquiring or holding assets described in subsection (c)(4), and

''(ii) is not held in connection with an activity described in subsection (n)(4).''.

SEC. 3033. CONFORMING FOREIGN CURRENCY REVISIONS.

(a) NET INCOME FROM FORECLOSURE PROPERTY.—Clause (i) of section 857(b)(4)(B) is amended to read as follows:

''(i) gain (including any foreign currency gain, as defined in section 988(b)(1)) from the sale or other disposition of foreclosure property described in section 1221(a)(1) and the gross income for the taxable year derived from foreclosure property (as defined in section 856(e)), but only to the extent such gross income is not described in (or, in the case of foreign currency gain, not attributable to gross income described in) section 856(c)(3) other than subparagraph (F) thereof, over''.

(b) NET INCOME FROM PROHIBITED TRANSACTIONS.—Clause (i) of section 857(b)(6)(B) is amended to read as follows:

''(i) the term 'net income derived from prohibited transactions' means the excess of the gain (including any foreign currency gain, as defined in section 988(b)(1)) from prohibited transactions over the deductions (including any foreign currency loss, as defined in section 988(b)(2)) allowed by this chapter which are directly connected with prohibited transactions;''.

Subtitle B—Taxable REIT Subsidiaries

SEC. 3041. CONFORMING TAXABLE REIT SUBSIDIARY ASSET TEST.

Section 856(c)(4)(B)(ii) is amended—

(1) by striking ''20 percent'' and inserting ''25 percent'', and

(2) by striking ''REIT subsidiaries'' and all that follows, and inserting ''REIT subsidiaries,''.

Subtitle C—Dealer Sales

SEC. 3051. HOLDING PERIOD UNDER SAFE HARBOR.

Section 857(b)(6) (relating to income from prohibited transactions) is amended—

(1) by striking ''4 years'' in subparagraphs (C)(i), (C)(iv), and (D)(i) and inserting ''2 years'',

(2) by striking ''4-year period'' in subparagraphs (C)(ii), (D)(ii), and (D)(iii) and inserting ''2-year period'', and

(3) by striking ''real estate asset''and all that follows through ''if'' in the matter preceding clause (i) of subparagraphs (C) and (D), respectively, and inserting ''real estate asset (as defined in section 856(c)(5)(B)) and which is described in section 1221(a)(1) if''.

SEC. 3052. DETERMINING VALUE OF SALES UNDER SAFE HARBOR.

Section 857(b)(6) is amended—

(1) by striking the semicolon at the end of subparagraph (C)(iii) and inserting '', or (III) the fair market value of property (other than sales of foreclosure property or sales to which section 1033 applies) sold during the taxable year does not exceed 10 percent of the fair market value of all of the assets of the trust as of the beginning of the taxable year;'', and

(2) by adding ''or'' at the end of subclause (II) of subparagraph (D)(iv) and by adding at the end of such subparagraph the following new subclause:

''(III) the fair market value of property (other than sales of foreclosure property or sales to which section 1033 applies) sold during the taxable year does not exceed 10 percent of the fair market value of all of the assets of the trust as of the beginning of the taxable year,''.

Subtitle D—Health Care REITs

SEC. 3061. CONFORMITY FOR HEALTH CARE FACILITIES.

(a) RELATED PARTY RENTALS.—Subparagraph (B) of section 856(d)(8) (relating to special rule for taxable REIT subsidiaries) is amended to read as follows:

''(B) EXCEPTION FOR CERTAIN LODGING FACILITIES AND HEALTH CARE PROPERTY.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility (as defined in paragraph (9)(D)) or a qualified health care property (as defined in subsection (e)(6)(D)(i)) leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor. For purposes of this section, a taxable REIT subsidiary is not considered to be operating or managing a qualified health care property or qualified lodging facility solely because it—

''(i) directly or indirectly possesses a license, permit, or similar instrument enabling it to do so, or

''(ii) employs individuals working at such facility or property located outside the United States, but only if an eligible independent contractor is responsible for the daily supervision and direction of such individuals on behalf of the taxable REIT subsidiary pursuant to a management agreement or similar service contract.''.

(b) ELIGIBLE INDEPENDENT CONTRACTOR.—Subparagraphs (A) and (B) of section 856(d)(9) (relating to eligible independent contractor) are amended to read as follows:

''(A) IN GENERAL.—The term 'eligible independent contractor' means, with respect to any qualified lodging facility or qualified health care property (as defined in subsection (e)(6)(D)(i)), any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate such qualified lodging facility or qualified health care property, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities or qualified health care properties, respectively, for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

''(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility or qualified health care property (as so defined) by reason of the following:

''(i) The taxable REIT subsidiary bears the expenses for the operation of such qualified lodging facility or qualified health care property pursuant to the management agreement or other similar service contract.

''(ii) The taxable REIT subsidiary receives the revenues from the operation of such qualified lodging facility or qualified health care property, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

''(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

''(I) January 1, 1999, or

''(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility or qualified health care property.''.

(c) TAXABLE REIT SUBSIDIARIES.—The last sentence of section 856(l)(3) is amended—

(1) by inserting ''or a health care facility'' after ''a lodging facility'', and

(2) by inserting ''or health care facility'' after ''such lodging facility''.

Subtitle E—Effective Dates

SEC. 3071. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this title shall apply to taxable years beginning after the date of the enactment of this Act.

(b) REIT INCOME TESTS.—

(1) The amendments made by section 3031(a) and (c) shall apply to gains and items of income recognized after the date of the enactment of this Act.

(2) The amendment made by section 3031(b) shall apply to transactions entered into after the date of the enactment of this Act.

(c) CONFORMING FOREIGN CURRENCY REVISIONS.—

(1) The amendment made by section 3033(a) shall apply to gains recognized after the date of the enactment of this Act.

(2) The amendment made by section 3033(b) shall apply to gains and deductions recognized after the date of the enactment of this Act.

(d) DEALER SALES.—The amendments made by subtitle C shall apply to sales made after the date of the enactment of this Act.

TITLE III—REVENUE PROVISIONS

Subtitle A—General Provisions

SEC. 3081. ELECTION TO ACCELERATE AMT AND R AND D CREDITS IN LIEU OF BONUS DEPRECIATION.

(a) IN GENERAL.—Section 168(k) is amended by adding at the end the following new paragraph:

''(4) ELECTION TO ACCELERATE AMT AND R AND D CREDITS IN LIEU OF BONUS DEPRECIATION.—

''(A) IN GENERAL.—If a corporation elects to have this paragraph apply—

''(i) no additional depreciation shall be allowed under paragraph (1) for any eligible qualified property placed in service during any taxable year to which paragraph (1) would otherwise apply,

''(ii) the applicable depreciation method used under this section with respect to such eligible qualified property shall be the straight line method rather than the method that would otherwise be used, and

''(iii) the limitations described in subparagraph (B) for such taxable year shall be increased by an aggregate amount not in excess of the bonus depreciation amount for such taxable year.

''(B) LIMITATIONS TO BE INCREASED.—The limitations described in this subparagraph are—

''(i) the limitation under section 38(c), and

''(ii) the limitation under section 53(c).

''(C) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The bonus depreciation amount for any applicable taxable year is an amount equal to the product of 20 percent and the excess (if any) of—

''(I) the aggregate amount of depreciation which would be determined under this section for property placed in service during the taxable year if no election under this paragraph were made, over

''(II) the aggregate amount of depreciation allowable under this section for property placed in service during the taxable year.

In the case of property which is a passenger aircraft, the amount determined under subclause (I) shall be calculated without regard to the written binding contract limitation under paragraph (2)(A)(iii)(I).

''(ii) MAXIMUM AMOUNT.—The bonus depreciation amount for any applicable taxable year shall not exceed the applicable limitation under clause (iii), reduced (but not below zero) by the bonus depreciation amount for any preceding taxable year.

''(iii) APPLICABLE LIMITATION.—For purposes of clause (ii), the term 'applicable limitation' means, with respect to any eligible taxpayer, the lesser of—

''(I) $30,000,000, or

''(II) 6 percent of the sum of the amounts determined with respect to the taxpayer under clauses (ii) and (iii) of subparagraph (E).

''(iv) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated as 1 taxpayer for purposes of applying the limitation under this subparagraph and determining the applicable limitation under clause (iii).

''(D) ELIGIBLE QUALIFIED PROPERTY.—For purposes of this paragraph, the term 'eligible qualified property' means qualified property under paragraph (2), except that in applying paragraph (2) for purposes of this clause—

''(i) 'March 31, 2008' shall be substituted for 'December 31, 2007' each place it appears in subparagraph (A) and clauses (i) and (ii) of subparagraph (E) thereof,

''(ii) only adjusted basis attributable to manufacture, construction, or production after March 31, 2008, and before January 1, 2009, shall be taken into account under subparagraph (B)(ii) thereof, and

''(iii) in the case of property which is a passenger aircraft, the written binding contract limitation under subparagraph (A)(iii)(I) thereof shall not apply.

''(E) ALLOCATION OF BONUS DEPRECIATION AMOUNTS.—

''(i) IN GENERAL.—Subject to clauses (ii) and (iii), the taxpayer shall, at such time and in such manner as the Secretary may prescribe, specify the portion (if any) of the bonus depreciation amount which is to be allocated to each of the limitations described in subparagraph (B).

''(ii) BUSINESS CREDIT LIMITATION.—The portion of the bonus depreciation amount allocated to the limitation described in subparagraph (B)(i) shall not exceed an amount equal to the portion of the credit allowable under section 38 for the taxable year which is allocable to business credit carryforwards to such taxable year which are—

''(I) from taxable years beginning before January 1, 2006, and

''(II) properly allocable (determined under the rules of section 38(d)) to the research credit determined under section 41(a).

''(iii) ALTERNATIVE MINIMUM TAX CREDIT LIMITATION.—The portion of the bonus depreciation amount allocated to the limitation described in subparagraph (B)(ii) shall not exceed an amount equal to the portion of the minimum tax credit allowable under section 53 for the taxable year which is allocable to the adjusted minimum tax imposed for taxable years beginning before January 1, 2006. For purposes of the preceding sentence, credits shall be treated as allowed on a first-in, first-out basis.

''(F) CREDIT REFUNDABLE.—Any aggregate increases in the credits allowed under section 38 or 53 by reason of this paragraph shall, for purposes of this title, be treated as a credit allowed to the taxpayer under subpart C of part IV of subchapter A.

''(G) OTHER RULES.—

''(i) ELECTION.—Any election under this paragraph (including any allocation under subparagraph (E)) may be revoked only with the consent of the Secretary.

''(ii) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—Notwithstanding this paragraph, paragraph (2)(G) shall apply with respect to the deduction computed under this section (after application of this paragraph) with respect to property placed in service during any applicable taxable year.''.

(b) APPLICATION TO CERTAIN AUTOMOTIVE PARTNERSHIPS.—

(1) IN GENERAL.—If an applicable partnership elects the application of this subsection—

(A) the partnership shall be treated as having made a payment against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 for any applicable taxable year of the partnership in the amount determined under paragraph (3),

(B) in the case of any eligible qualified property placed in service by the partnership during any applicable taxable year—

(i) section 168(k) of such Code shall not apply in determining the amount of the deduction allowable to the partnership or any partner with respect to such property under section 168 of such Code,

(ii) the applicable depreciation method used by the partnership or any partner under such section with respect to such property shall be the straight line method rather than the method that would otherwise be used,

(C) no election may be made under section 168(k)(4) of such Code with respect to the partnership, and

(D) the amount of the credit determined under section 41 of such Code for any applicable taxable year with respect to the partnership shall be reduced by the amount of the deemed payment under subparagraph (A) for the taxable year.

(2) TREATMENT OF DEEMED PAYMENT.—

(A) IN GENERAL.—Notwithstanding any other provision of the Internal Revenue Code of 1986, the Secretary of the Treasury or his delegate shall not use the payment of tax described in paragraph (1) as an offset or credit against any tax liability of the applicable partnership or any partner but shall refund such payment to the applicable partnership.

(B) NO INTEREST.—The payment described in paragraph (1) shall not be taken into account in determining any amount of interest under such Code.

(3) AMOUNT OF DEEMED PAYMENT.—The amount determined under this paragraph for any applicable taxable year shall be the least of the following:

(A) The amount which would be determined for the taxable year under section 168(k)(4)(C)(i) of the Internal Revenue Code of 1986 (as added by the amendments made by this section) if an election under such section were in effect with respect to the partnership.

(B) The amount of the credit determined under section 41 of such Code for the taxable year with respect to the partnership.

(C) $30,000,000, reduced by the amount of any payment under this subsection for any preceding taxable year.

(4) DEFINITIONS.—For purposes of this subsection—

(A) APPLICABLE PARTNERSHIP.—The term ''applicable partnership'' means a domestic partnership that—

(i) was formed effective on August 3, 2007, and

(ii) will produce in excess of 675,000 automobiles during the period beginning on January 1, 2008, and ending on June 30, 2008.

(B) APPLICABLE TAXABLE YEAR.—The term ''applicable taxable year'' means any taxable year during which eligible qualified property is placed in service.

(C) ELIGIBLE QUALIFIED PROPERTY.—The term ''eligible qualified property'' has the meaning given such term by section 168(k)(4)(D) of the Internal Revenue Code of 1986 (as added by the amendments made by this section).

(c) CONFORMING AMENDMENT.—Section 1324(b)(2) of title 31, United States Code, as amended by this Act, is amended—

(1) by inserting ''168(k)(4)(F),'' after ''36,'', and

(2) by inserting '', or due under section 3081(b)(2) of the Housing Assistance Tax Act of 2008'' before the period at the end.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after March 31, 2008.

SEC. 3082. CERTAIN GO ZONE INCENTIVES.

(a) USE OF AMENDED INCOME TAX RETURNS TO TAKE INTO ACCOUNT RECEIPT OF CERTAIN HURRICANE-RELATED CASUALTY LOSS GRANTS BY DISALLOWING PREVIOUSLY TAKEN CASUALTY LOSS DEDUCTIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of the Internal Revenue Code of 1986, if a taxpayer claims a deduction for any taxable year with respect to a casualty loss to a principal residence (within the meaning of section 121 of such Code) resulting from Hurricane Katrina, Hurricane Rita, or Hurricane Wilma and in a subsequent taxable year receives a grant under Public Law 109–148, 109–234, or 110–116 as reimbursement for such loss, such taxpayer may elect to file an amended income tax return for the taxable year in which such deduction was allowed (and for any taxable year to which such deduction is carried) and reduce (but not below zero) the amount of such deduction by the amount of such reimbursement.

(2) TIME OF FILING AMENDED RETURN.—Paragraph (1) shall apply with respect to any grant only if any amended income tax returns with respect to such grant are filed not later than the later of—

(A) the due date for filing the tax return for the taxable year in which the taxpayer receives such grant, or

(B) the date which is 1 year after the date of the enactment of this Act.

(3) WAIVER OF PENALTIES AND INTEREST.—Any underpayment of tax resulting from the reduction under paragraph (1) of the amount otherwise allowable as a deduction shall not be subject to any penalty or interest under such Code if such tax is paid not later than 1 year after the filing of the amended return to which such reduction relates.

(b) WAIVER OF DEADLINE ON CONSTRUCTION OF GO ZONE PROPERTY ELIGIBLE FOR BONUS DEPRECIATION.—

(1) IN GENERAL.—Subparagraph (B) of section 1400N(d)(3) is amended to read as follows:

''(B) without regard to 'and before January 1, 2009' in clause (i) thereof, and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after December 31, 2007.

(c) INCLUSION OF CERTAIN COUNTIES IN GULF OPPORTUNITY ZONE FOR PURPOSES OF TAX-EXEMPT BOND FINANCING.—

(1) IN GENERAL.—Subsection (a) of section 1400N is amended by adding at the end the following new paragraph:

''(8) INCLUSION OF CERTAIN COUNTIES.—For purposes of this subsection, the Gulf Opportunity Zone includes Colbert County, Alabama and Dallas County, Alabama.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provisions of the Gulf Opportunity Zone Act of 2005 to which it relates.

Subtitle B—Revenue Offsets

SEC. 3091. RETURNS RELATING TO PAYMENTS MADE IN SETTLEMENT OF PAYMENT CARD AND THIRD PARTY NETWORK TRANSACTIONS.

(a) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end the following new section:

''SEC. 6050W. RETURNS RELATING TO PAYMENTS MADE IN SETTLEMENT OF PAYMENT CARD AND THIRD PARTY NETWORK TRANSACTIONS.

''(a) IN GENERAL.—Each payment settlement entity shall make a return for each calendar year setting forth—

''(1) the name, address, and TIN of each participating payee to whom one or more payments in settlement of reportable transactions are made, and

''(2) the gross amount of the reportable transactions with respect to each such participating payee.

Such return shall be made at such time and in such form and manner as the Secretary may require by regulations.

''(b) PAYMENT SETTLEMENT ENTITY.—For purposes of this section—

''(1) IN GENERAL.—The term 'payment settlement entity' means—

''(A) in the case of a payment card transaction, the merchant acquiring bank, and

''(B) in the case of a third party network transaction, the third party settlement organization.

''(2) MERCHANT ACQUIRING BANK.—The term 'merchant acquiring bank' means the bank or other organization which has the contractual obligation to make payment to participating payees in settlement of payment card transactions.

''(3) THIRD PARTY SETTLEMENT ORGANIZATION.—The term 'third party settlement organization' means the central organization which has the contractual obligation to make payment to participating payees of third party network transactions.

''(4) SPECIAL RULES RELATED TO INTERMEDIARIES.—For purposes of this section—

''(A) AGGREGATED PAYEES.—In any case where reportable transactions of more than one participating payee are settled through an intermediary—

''(i) such intermediary shall be treated as the participating payee for purposes of determining the reporting obligations of the payment settlement entity with respect to such transactions, and

''(ii) such intermediary shall be treated as the payment settlement entity with respect to the settlement of such transactions with the participating payees.

''(B) ELECTRONIC PAYMENT FACILITATORS.—In any case where an electronic payment facilitator or other third party makes payments in settlement of reportable transactions on behalf of the payment settlement entity, the return under subsection (a) shall be made by such electronic payment facilitator or other third party in lieu of the payment settlement entity.

''(c) REPORTABLE TRANSACTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'reportable transaction' means any payment card transaction and any third party network transaction.

''(2) PAYMENT CARD TRANSACTION.—The term 'payment card transaction' means any transaction in which a payment card is accepted as payment.

''(3) THIRD PARTY NETWORK TRANSACTION.—The term 'third party network transaction' means any transaction which is settled through a third party payment network.

''(d) OTHER DEFINITIONS.—For purposes of this section—

''(1) PARTICIPATING PAYEE.—

''(A) IN GENERAL.—The term 'participating payee' means—

''(i) in the case of a payment card transaction, any person who accepts a payment card as payment, and

''(ii) in the case of a third party network transaction, any person who accepts payment from a third party settlement organization in settlement of such transaction.

''(B) EXCLUSION OF FOREIGN PERSONS.—To the extent provided by the Secretary in regulations or other guidance, such term shall not include any foreign person.

''(C) INCLUSION OF GOVERNMENTAL UNITS.—The term 'person' includes any governmental unit (and any agency or instrumentality thereof).

''(2) PAYMENT CARD.—The term 'payment card' means any card which is issued pursuant to an agreement or arrangement which provides for—

''(A) one or more issuers of such cards,

''(B) a network of persons unrelated to each other, and to the issuer, who agree to accept such cards as payment, and

''(C) standards and mechanisms for settling the transactions between the merchant acquiring banks and the persons who agree to accept such cards as payment.

The acceptance as payment of any account number or other indicia associated with a payment card shall be treated for purposes of this section in the same manner as accepting such payment card as payment.

''(3) THIRD PARTY PAYMENT NETWORK.—The term 'third party payment network' means any agreement or arrangement—

''(A) which involves the establishment of accounts with a central organization for the purpose of settling transactions between persons who establish such accounts,

''(B) which provides for standards and mechanisms for settling such transactions,

''(C) which involves a substantial number of persons unrelated to such central organization who provide goods or services and who have agreed to settle transactions for the provision of such goods or services pursuant to such agreement or arrangement, and

''(D) which guarantees persons providing goods or services pursuant to such agreement or arrangement that such persons will be paid for providing such goods or services.

Such term shall not include any agreement or arrangement which provides for the issuance of payment cards.

''(e) EXCEPTION FOR DE MINIMIS PAYMENTS BY THIRD PARTY SETTLEMENT ORGANIZATIONS.—A third party settlement organization shall not be required to report any information under subsection (a) with respect to third party network transactions of any participating payee if the amount which would otherwise be reported under subsection (a)(2) with respect to such transactions does not exceed $10,000 and the aggregate number of such transactions does not exceed 200.

''(f) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each person with respect to whom such a return is required a written statement showing—

''(1) the name, address, and phone number of the information contact of the person required to make such return, and

''(2) the gross amount of payments made to the person required to be shown on the return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

''(g) REGULATIONS.—The Secretary may prescribe such regulations or other guidance as may be necessary or appropriate to carry out this section, including rules to prevent the reporting of the same transaction more than once.''.

(b) PENALTY FOR FAILURE TO FILE.—

(1) RETURN.—Subparagraph (B) of section 6724(d)(1) is amended—

(A) by striking ''or'' at the end of clause (xx),

(B) by redesignating the clause (xix) that follows clause (xx) as clause (xxi),

(C) by striking ''and'' at the end of clause (xxi), as redesignated by subparagraph (B) and inserting ''or'', and

(D) by adding at the end the following:

''(xxii) section 6050W (relating to returns to payments made in settlement of payment card transactions), and''.

(2) STATEMENT.—Paragraph (2) of section 6724(d) is amended by striking ''or'' at the end of subparagraph (BB), by striking the period at the end of the subparagraph (CC) and inserting '', or'', and by inserting after subparagraph (CC) the following:

''(DD) section 6050W(c) (relating to returns relating to payments made in settlement of payment card transactions).''.

(c) APPLICATION OF BACKUP WITHHOLDING.—Paragraph (3) of section 3406(b) is amended by striking ''or'' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting '', or'', and by adding at the end the following new subparagraph:

''(F) section 6050W (relating to returns relating to payments made in settlement of payment card transactions).''.

(d) CLERICAL AMENDMENT.—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 6050V the following:

''Sec. 6050W. Returns relating to payments made in settlement of payment card transactions.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to returns for calendar years beginning after December 31, 2010.

(2) APPLICATION OF BACKUP WITHHOLDING.—The amendment made by subsection (c) shall apply to amounts paid after December 31, 2011.

SEC. 3092. GAIN FROM SALE OF PRINCIPAL RESIDENCE ALLOCATED TO NONQUALIFIED USE NOT EXCLUDED FROM INCOME.

(a) IN GENERAL.—Subsection (b) of section 121 of the Internal Revenue Code of 1986 (relating to limitations) is amended by adding at the end the following new paragraph:

''(4) EXCLUSION OF GAIN ALLOCATED TO NONQUALIFIED USE.—

''(A) IN GENERAL.—Subsection (a) shall not apply to so much of the gain from the sale or exchange of property as is allocated to periods of nonqualified use.

''(B) GAIN ALLOCATED TO PERIODS OF NONQUALIFIED USE.—For purposes of subparagraph (A), gain shall be allocated to periods of nonqualified use based on the ratio which—

''(i) the aggregate periods of nonqualified use during the period such property was owned by the taxpayer, bears to

''(ii) the period such property was owned by the taxpayer.

''(C) PERIOD OF NONQUALIFIED USE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'period of nonqualified use' means any period (other than the portion of any period preceding January 1, 2009) during which the property is not used as the principal residence of the taxpayer or the taxpayer's spouse or former spouse.

''(ii) EXCEPTIONS.—The term 'period of nonqualified use' does not include—

''(I) any portion of the 5-year period described in subsection (a) which is after the last date that such property is used as the principal residence of the taxpayer or the taxpayer's spouse,

''(II) any period (not to exceed an aggregate period of 10 years) during which the taxpayer or the taxpayer's spouse is serving on qualified official extended duty (as defined in subsection (d)(9)(C)) described in clause (i), (ii), or (iii) of subsection (d)(9)(A), and

''(III) any other period of temporary absence (not to exceed an aggregate period of 2 years) due to change of employment, health conditions, or such other unforeseen circumstances as may be specified by the Secretary.

''(D) COORDINATION WITH RECOGNITION OF GAIN ATTRIBUTABLE TO DEPRECIATION.—For purposes of this paragraph—

''(i) subparagraph (A) shall be applied after the application of subsection (d)(6), and

''(ii) subparagraph (B) shall be applied without regard to any gain to which subsection (d)(6) applies.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales and exchanges after December 31, 2008.

SEC. 3093. INCREASE IN INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 are each amended by striking ''$50'' and inserting ''$100''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 are each amended by striking ''$250,000'' and inserting ''$1,500,000''.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) is amended by striking ''$15'' and inserting ''$50''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 are each amended by striking ''$75,000'' and inserting ''$500,000''.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) is amended by striking ''$30'' and inserting ''$75''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721are each amended by striking ''$150,000'' and inserting ''$1,000,000''.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN $5,000,000.—Paragraph (1) of section 6721(d) is amended—

(1) by striking ''$100,000'' in subparagraph (A) and inserting ''$500,000'',

(2) by striking ''$25,000'' in subparagraph (B) and inserting ''$100,000'', and

(3) by striking ''$50,000'' in subparagraph (C) and inserting ''$250,000''.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) is amended by striking ''$100'' and inserting ''$250''.

(f) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—

(1) IN GENERAL.—Subsection (a) of section 6722 is amended by striking ''$50'' and inserting ''$100''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a) and (c)(2)(A) of section 6722 are each amended by striking ''$100,000'' and inserting ''$500,000''.

(3) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (1) of section 6722(c) is amended by striking ''$100'' and inserting ''$250''.

(g) FAILURE TO COMPLY WITH OTHER INFORMATION REPORTING REQUIREMENTS.—Section 6723 is amended—

(1) by striking ''$50'' and inserting ''$100'', and

(2) by striking ''$100,000'' and inserting ''$500,000''.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2009.

SEC. 3094. INCREASE IN PENALTY FOR FAILURE TO FILE S CORPORATION RETURNS.

(a) IN GENERAL.—Paragraph (1) of section 6699(b) (relating to amount per month) is amended by striking ''$85'' and inserting ''$100''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns the due date for the filing of which (including extensions) is after the date of the enactment of this Act.

SEC. 3095. INCREASE IN PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS.

(a) INCREASE IN PENALTY AMOUNT.—Paragraph (1) of section 6698(b) (relating to amount per month) is amended by striking ''$85'' and inserting ''$100''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns the due date for the filing of which (including extensions) is after the date of the enactment of this Act.

SEC. 3096. INCREASE IN MINIMUM PENALTY ON FAILURE TO FILE A RETURN OF TAX.

(a) IN GENERAL.—Subsection (a) of section 6651, as amended by section 303(a) of the Heroes Earnings Assistance and Relief Tax Act of 2008, is amended by striking ''$135'' in the last sentence and inserting ''$225''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns the due date for the filing of which (including extensions) is after the date of the enactment of this Act.

SA 4984. Mrs. DOLE (for herself and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

At the appropriate place, insert the following:

SEC. ___. REGULATION OF APPRAISAL STANDARDS.

Section 1319G of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4526) is amended by adding at the end the following new subsection:

''(d) REGULATION OF APPRAISAL STANDARDS.—

''(1) IN GENERAL.—Not later than 120 days after the date of enactment of this subsection, but not later than December 31, 2008, the Director shall issue in final form a regulation that establishes appraisal standards for mortgages purchased or guaranteed by the enterprises.

''(2) CONSISTENCY.—In issuing the regulation required by this subsection, the Director shall ensure that the regulation is consistent with appraisal regulations and guidelines issued by the Federal banking agencies (as that term is defined in section 3(z) of the Federal Deposit Insurance Act) and the National Credit Union Administration, including regulations and guidelines related to the independence and accuracy of appraisals, and do not conflict with any other banking regulations.

''(3) APPLICATION.—The regulation issued pursuant to this subsection shall supersede the terms of any agreement relating to appraisal standards entered into by the Director or the enterprises prior to or after the issuance of the regulation required by this subsection in final form, to the extent that any such agreement is inconsistent with the regulation. The Director shall have the authority to make determinations, at the Director's discretion and in response to requests for such determinations, as to whether any such agreements are, or have become, inconsistent with applicable regulations, and any terms of any such prior agreement that are consistent with the regulation shall not be effective until 1 year following the date of enactment of the issuance of the regulation in final form.''.

SA 4985. Mr. BOND (for himself and Mr. BARRASSO) proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

Strike title IV of division A.

SA 4986. Mr. BOND proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

Insert the following at the appropriate place:

SEC. xxx. Notwithstanding any other provision of law, Fannie Mae and Freddie Mac shall not be responsible for any payments either directly or indirectly to other Housing entities under the Affordable Housing program unless these GSEs voluntarily provide funding. None of these funds shall be used for soft program costs, including staff costs.

SA 4987. Mr. BOND proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

On page 522, between lines 2 and 3, insert the following:

''(iii) If the loan is an adjustable rate mortgage that includes an initial fixed interest rate—

''(I) state in conspicuous type size and format the following phrase: This loan is an adjustable rate mortgage with an initial fixed interest rate. Your initial fixed interest rate is AAA with a monthly payment of BBB until CCC. After that date, the interest rate on your loan will 'reset' to an adjustable rate and both your interest rate and payment could go higher on that date and in the future. For example, if your initial fixed rate ended today, your new adjustable interest rate would be DDD and your new payment EEE. If interest rates are one percent higher than they are today or at some point in the future, your new payment would be FFF. There is no guarantee you will be able to refinance your loan to a lower interest rate and payment before your initial fixed interest rate ends.;

''(II) the blank AAA in subparagraph (I) to be filled in with the initial fixed interest rate;

''(III) the blank BBB in subparagraph (I) to be filled in with the payment amount under the initial fixed interest rate;

''(IV) the blank CCC in subparagraph (I) to be filled in with the loan reset date;

''(V) the blank DDD in subparagraph (I) to be filled in with the adjustable rate as if the initial rate expired on the date of disclosure under subparagraph (B);

''(VI) the blank EEE in subparagraph (I) to be filled in with the payment under the adjustable rate as if the initial rate expired on the date of disclosure under subparagraph (B); and

''(VII) the blank FFF in subparagraph (I) to be filled in with the payment under the adjustable rate

''(iv) If the loan contains a prepayment penalty—

''(I) state in conspicuous type and format the following phrase: This loan contains a prepayment penalty. If you desire to pay off this loan before GGG, you will pay a penalty of HHH.;

''(II) the blank GGG in subparagraph (I) to be filled in with the date the prepayment penalty expires; and

''(III) the blank HHH in subparagraph (I) to be filled in with the prepayment penalty amount.

SA 4988. Mr. KOHL (for himself, Mrs. LINCOLN, Ms. MIKULSKI, and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

At the end of division B, insert the following:

TITLE VII—FORECLOSURE RESCUE FRAUD PROTECTION

SEC. 2701. SHORT TITLE.

This title may be cited as the ''Foreclosure Rescue Fraud Act of 2008''.

SEC. 2702. DEFINITIONS.

In this title:

(1) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(2) FORECLOSURE CONSULTANT.—The term ''foreclosure consultant''—

(A) means a person who directly or indirectly makes any solicitation, representation, or offer to a homeowner facing foreclosure on residential real property to perform, with or without compensation, or who performs, with or without compensation, any service that such person represents will prevent, postpone, or reverse the effect of such foreclosure; and

(B) does not include—

(i) an attorney licensed to practice law in the State in which the property is located who has established an attorney-client relationship with the homeowner;

(ii) a person licensed as a real estate broker or salesperson in the State where the property is located, and such person engages in acts permitted under the licensure laws of such State;

(iii) a housing counseling agency approved by the Secretary;

(iv) a depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813));

(v) a Federal credit union or a State credit union (as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752)); or

(vi) an insurance company organized under the laws of any State.

(3) HOMEOWNER.—The term ''homeowner'', with respect to residential real property for which an action to foreclose on the mortgage or deed of trust on such real property is filed, means the person holding record title to such property as of the date on which such action is filed.

(4) LOAN SERVICER.—The term ''loan servicer'' has the same meaning as the term ''servicer'' in section 6(i)(2) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)(2)).

(5) RESIDENTIAL MORTGAGE LOAN.—The term ''residential mortgage loan'' means any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling (as defined in section 103(v) of the Truth in Lending Act (15 U.S.C. 1602)(v)) or residential real estate upon which is constructed or intended to be constructed a dwelling (as so defined).

(6) RESIDENTIAL REAL PROPERTY.—The term ''residential real property'' has the meaning given the term ''dwelling'' in section 103 of the Consumer Credit Protection Act (15 U.S.C. 1602).

(7) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

SEC. 2703. MORTGAGE RESCUE FRAUD PROTECTION.

(a) LIMITS ON FORECLOSURE CONSULTANTS.—A foreclosure consultant may not—

(1) claim, demand, charge, collect, or receive any compensation from a homeowner for services performed by such foreclosure consultant with respect to residential real property until such foreclosure consultant has fully performed each service that such foreclosure consultant contracted to perform or represented would be performed with respect to such residential real property;

(2) hold any power of attorney from any homeowner, except to inspect documents, as provided by applicable law;

(3) receive any consideration from a third party in connection with services rendered to a homeowner by such third party with respect to the foreclosure of residential real property, unless such consideration is fully disclosed to such homeowner in writing before such services are rendered;

(4) accept any wage assignment, any lien of any type on real or personal property, or other security to secure the payment of compensation with respect to services provided by such foreclosure consultant in connection with the foreclosure of residential real property; or

(5) acquire any interest, directly or indirectly, in the residence of a homeowner with whom the foreclosure consultant has contracted.

(b) CONTRACT REQUIREMENTS.—

(1) WRITTEN CONTRACT REQUIRED.—Notwithstanding any other provision of law, a foreclosure consultant may not provide to a homeowner a service related to the foreclosure of residential real property—

(A) unless—

(i) a written contract for the purchase of such service has been signed and dated by the homeowner; and

(ii) such contract complies with the requirements described in paragraph (2); and

(B) before the end of the 3-business-day period beginning on the date on which the contract is signed.

(2) TERMS AND CONDITIONS OF CONTRACT.—The requirements described in this paragraph, with respect to a contract, are as follows:

(A) The contract includes, in writing—

(i) a full and detailed description of the exact nature of the contract and the total amount and terms of compensation;

(ii) the name, physical address, phone number, email address, and facsimile number, if any, of the foreclosure consultant to whom a notice of cancellation can be mailed or sent under subsection (d); and

(iii) a conspicuous statement in at least 12 point bold face type in immediate proximity to the space reserved for the homeowner's signature on the contract that reads as follows: ''You may cancel this contract without penalty or obligation at any time before midnight of the 3rd business day after the date on which you sign the contract. See the attached notice of cancellation form for an explanation of this right.''.

(B) The contract is written in the principal language used by the homeowner.

(C) The contract is accompanied by the form required by subsection (c)(2).

(c) RIGHT TO CANCEL CONTRACT.—

(1) IN GENERAL.—With respect to a contract between a homeowner and a foreclosure consultant regarding the foreclosure on the residential real property of such homeowner, such homeowner may cancel such contract without penalty or obligation by mailing a notice of cancellation not later than midnight of the 3rd business day after the date on which such contract is executed or would become enforceable against the parties to such contract.

(2) CANCELLATION FORM AND OTHER INFORMATION.—Each contract described in paragraph (1) shall be accompanied by a form, in duplicate, that—

(A) has the heading ''Notice of Cancellation'' in boldface type; and

(B) contains in boldface type the following statement:

''You may cancel this contract, without any penalty or obligation, at any time before midnight of the 3rd day after the date on which the contract is signed by you.

''To cancel this contract, mail or deliver a signed and dated copy of this cancellation notice or any other equivalent written notice to [insert name of foreclosure consultant] at [insert address of foreclosure consultant] before midnight on [insert date].

''I hereby cancel this transaction on [insert date] [insert homeowner signature].''.

(d) WAIVER OF RIGHTS AND PROTECTIONS PROHIBITED.—

(1) IN GENERAL.—A waiver by a homeowner of any protection provided by this section or any right of a homeowner under this section—

(A) shall be treated as void; and

(B) may not be enforced by any Federal or State court or by any person.

(2) ATTEMPT TO OBTAIN A WAIVER.—Any attempt by any person to obtain a waiver from any homeowner of any protection provided by this section or any right of the homeowner under this section shall be treated as a violation of this section.

(3) CONTRACTS NOT IN COMPLIANCE.—Any contract that does not comply with the applicable provisions of this title shall be void and may not be enforceable by any party.

SEC. 2704. WARNINGS TO HOMEOWNERS OF FORECLOSURE RESCUE SCAMS.

(a) IN GENERAL.—If a loan servicer finds that a homeowner has failed to make 2 consecutive payments on a residential mortgage loan and such loan is at risk of being foreclosed upon, the loan servicer shall notify such homeowner of the dangers of fraudulent activities associated with foreclosure.

(b) NOTICE REQUIREMENTS.—Each notice provided under subsection (a) shall—

(1) be in writing;

(2) be included with a mailing of account information;

(3) have the heading ''Notice Required by Federal Law'' in a 14-point boldface type in English and Spanish at the top of such notice; and

(4) contain the following statement in English and Spanish: ''Mortgage foreclosure is a complex process. Some people may approach you about saving your home. You should be careful about any such promises. There are government and nonprofit agencies you may contact for helpful information about the foreclosure process. Contact your lender immediately at [_____], call the Department of Housing and Urban Development Housing Counseling Line at (800) 569–4287 to find a housing counseling agency certified by the Department to assist you in avoiding foreclosure, or visit the Department's Tips for Avoiding Foreclosure website at http://www.hud.gov/foreclosure for additional assistance.'' (the blank space to be filled in by the loan servicer and successor telephone numbers and Uniform Resource Locators (URLs) for the Department of Housing and Urban Development Housing Counseling Line and Tips for Avoiding Foreclosure website, respectively).

SEC. 2705. CIVIL LIABILITY.

(a) LIABILITY ESTABLISHED.—Any foreclosure consultant who fails to comply with any provision of section 2703 or 2704 with respect to any other person shall be liable to such person in an amount equal to the sum of the amounts determined under each of the following paragraphs:

(1) ACTUAL DAMAGES.—The greater of—

(A) the amount of any actual damage sustained by such person as a result of such failure; or

(B) any amount paid by the person to the foreclosure consultant.

(2) PUNITIVE DAMAGES.—In the case of any action by an individual, such amount (in addition to damages described in paragraph (1)) as the court may allow.

(3) ATTORNEYS' FEES.—In the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with reasonable attorneys' fees.

(b) FACTORS TO BE CONSIDERED IN AWARDING PUNITIVE DAMAGES.—In determining the

amount of any liability of any foreclosure consultant under subsection (a)(2), the court shall consider, among other relevant factors—

(1) the frequency and persistence of noncompliance by the foreclosure consultant;

(2) the nature of the noncompliance; and

(3) the extent to which such noncompliance was intentional.

SEC. 2706. ADMINISTRATIVE ENFORCEMENT.

(a) ENFORCEMENT BY FEDERAL TRADE COMMISSION.—

(1) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—A violation of a prohibition described in section 2703 or a failure to comply with any provision of section 2703 or 2704 shall be treated as a violation of a rule defining an unfair or deceptive act or practice described under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(2) ACTIONS BY THE FEDERAL TRADE COMMISSION.—The Federal Trade Commission shall enforce the provisions of sections 2703 and 2704 in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made part of this title.

(b) STATE ACTION FOR VIOLATIONS.—

(1) AUTHORITY OF STATES.—In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating the provisions of section 2703 or 2704, the State—

(A) may bring an action to enjoin such violation;

(B) may bring an action on behalf of its residents to recover damages for which the person is liable to such residents under section 2705 as a result of the violation; and

(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees, as determined by the court.

(2) RIGHTS OF FEDERAL TRADE COMMISSION.—

(A) NOTICE TO COMMISSION.—The State shall serve prior written notice of any civil action under paragraph (1) upon the Commission and provide the Commission with a copy of its complaint, except in any case in which such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action.

(B) INTERVENTION.—The Commission shall have the right—

(i) to intervene in any action referred to in subparagraph (A);

(ii) upon so intervening, to be heard on all matters arising in the action; and

(iii) to file petitions for appeal in such actions.

(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the chief law enforcement officer, or an official or agency designated by a State, from exercising the powers conferred on the chief law enforcement officer or such official by the laws of such State to conduct investigations or to administer oaths or affirmations, or to compel the attendance of witnesses or the production of documentary and other evidence.

(4) LIMITATION.—Whenever the Federal Trade Commission has instituted a civil action for a violation of section 2703 or 2704, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission for any violation of section 2703 or 2704 that is alleged in that complaint.

SEC. 2707. PREEMPTION.

Nothing in this title affects any provision of State or local law respecting any foreclosure consultant, residential mortgage loan, or residential real property that provides equal or greater protection to homeowners than what is provided under this title.

SA 4989. Mr. ISAKSON (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 564, beginning at line 7, strike through page 572, line 22, and insert the following:

SEC. 3011. CREDIT FOR CERTAIN HOME PURCHASES.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25D the following new section:

"SEC. 25E. CREDIT FOR CERTAIN HOME PURCHASES.

''(a) ALLOWANCE OF CREDIT.—

''(1) IN GENERAL.—In the case of an individual who is a purchaser of a qualified principal residence during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter an amount equal to so much of the purchase price of the residence as does not exceed $7,000.

''(2) ALLOCATION OF CREDIT AMOUNT.—The amount of the credit allowed under paragraph (1) shall be equally divided among the 2 taxable years beginning with the taxable year in which the purchase of the qualified principal residence is made.

''(b) LIMITATIONS.—

''(1) DATE OF PURCHASE.—The credit allowed under subsection (a) shall be allowed only with respect to purchases made—

''(A) after June 30, 2008, and

''(B) before July 1, 2009.

''(2) 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 any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this subpart (other than this section) for the taxable year.

''(3) ONE-TIME ONLY.—

''(A) IN GENERAL.—If a credit is allowed under this section in the case of any individual (and such individual's spouse, if married) with respect to the purchase of any qualified principal residence, no credit shall be allowed under this section in any taxable year with respect to the purchase of any other qualified principal residence by such individual or a spouse of such individual.

''(B) JOINT PURCHASE.—In the case of a purchase of a qualified principal residence by 2 or more unmarried individuals or by 2 married individuals filing separately, no credit shall be allowed under this section if a credit under this section has been allowed to any of such individuals in any taxable year with respect to the purchase of any other qualified principal residence.

''(c) QUALIFIED PRINCIPAL RESIDENCE.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified principal residence' means an eligible single-family residence that is purchased to be the principal residence of the purchaser.

''(2) ELIGIBLE SINGLE-FAMILY RESIDENCE.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'eligible single-family residence' means a single-family structure that is—

''(i) a new previously unoccupied residence for which a building permit is issued and construction begins on or before September 1, 2007,

''(ii) an owner-occupied residence with respect to which the owner's acquisition indebtedness (as defined in section 163(h)(3)(B), determined without regard to clause (ii) thereof) is in default on or before July 1, 2008, or

''(iii) a residence with respect to which a foreclosure event has taken place and which is owned by the mortgagor or the mortgagor's agent.

''(B) CERTIFICATION.—In the case of an eligible single-family residence described in subparagraph (A)(i), no credit shall be allowed under this section unless the purchaser submits a certification by the seller of such residence that such residence meets the requirements of such subparagraph.

''(d) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section for any purchase for which a credit is allowed under section 1400C.

''(e) SPECIAL RULES.—

''(1) JOINT PURCHASE.—

''(A) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of 2 married individuals filing separately, subsection (a) shall be applied to each such individual by substituting '$3,500' for '$7,000' in subsection (a)(1).

''(B) UNMARRIED INDIVIDUALS.—If 2 or more individuals who are not married purchase a qualified principal residence, the amount of the credit allowed under subsection (a) shall be allocated among such individuals in such manner as the Secretary may prescribe, except that the total amount of the credits allowed to all such individuals shall not exceed $7,000.

''(2) PURCHASE.—In defining the purchase of a qualified principal residence, rules similar to the rules of paragraphs (2) and (3) of section 1400C(e) (as in effect on the date of the enactment of this section) shall apply.

''(3) REPORTING REQUIREMENT.—Rules similar to the rules of section 1400C(f) (as so in effect) shall apply.

''(f) BASIS ADJUSTMENT.—For purposes of this subtitle, if a credit is allowed under this section with respect to the purchase of any residence, the basis of such residence shall be reduced by the amount of the credit so allowed.''.

(b) CONFORMING AMENDMENT.—Section 1016(a) is amended by striking ''and'' at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting '', and'', and by adding at the end the following new paragraph:

''(37) to the extent provided in section 25E(f).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Credit for certain home purchases.''.

SA 4990. Mr. VITTER submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the end of Division B, insert the following:

TITLE VII—ENSURING ASSISTANCE IS PROVIDED ONLY TO DESERVING HOMEOWNERS

SEC. 2701. LIMITATION ON USE OF FUNDS.

(a) DEFINITION.—For purposes of this section, the term ''housing assistance'' means the following:

(1) Any amounts appropriated, authorized to be appropriated, or otherwise made available under this Act, or any amendment made by this Act.

(2) Any qualified mortgage bond issued by a State or political subdivision or any other entity or organization pursuant to section 143(k)(12) of the Internal Revenue Code, as added by section 3021(b) of this Act.

(3) Any tax credit related to first-time homebuyers allowable under section 36 of the Internal Revenue Code of 1986, as added by section 3011 of this Act.

(4) Any assistance, loan, loan guarantee, housing, housing assistance, or other housing related program administered, in whole or in part, by the Secretary of Housing and Urban Development, the Secretary of Veterans Affairs, or any other Federal agency.

(b) LIMITATION.—Housing assistance may not be provided or distributed to, or used by, any homeowner that made—

(1) any material misstatement or misrepresentation on his or her original mortgage application; or

(2) any false statements on his or her original mortgage application to qualify for the home loan.

(c) REQUIRED DOCUMENTATION.—In order to prove to the head of a Federal agency administering any housing assistance that a homeowner has not violated the prohibitions described in subsection (b), such a homeowner shall provide documentation sufficient to the satisfaction of such agency head that demonstrates that the homeowner did not make any—

(1) any material misstatement or misrepresentation on his or her original mortgage application; or

(2) any false statements on his or her original mortgage application to qualify for the home loan.

SA 4991. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE _____—ENERGY EFFICIENT MORTGAGES

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Energy Efficient Mortgages Act of 2008''.

SEC. ___02. DEFINITION.

As used in this title, the term ''energy efficient mortgage'' means a mortgage loan under which the income of the borrower, for purposes of qualification for such loan, is considered to be increased by not less than $1 for each $1 of savings projected to be realized by the borrower as a result of cost-effective energy saving construction or improvements for the home for which the loan is made.

SEC. ___03. ADDITIONAL CREDIT FOR FANNIE MAE AND FREDDIE MAC HOUSING GOALS FOR ENERGY EFFICIENT MORTGAGES.

Section 1336(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 4566(a)) is amended—

(1) in paragraph (2), by inserting '', except as provided in paragraph (4),'' after ''which''; and

(2) by adding at the end the following new paragraph:

''(5) ADDITIONAL CREDIT.—

''(A) AMOUNT.—

''(i) IN GENERAL.—In assigning credit toward achievement under this section of the housing goals for mortgage purchase activities of the enterprises, the Director shall assign not less than 125 percent credit, for purchases of mortgages that—

''(I) comply with the requirements of such goals; and

''(II) are energy efficient mortgages, as such term is defined under section _____02 of the Energy Efficient Mortgages Act of 2008.

''(ii) EXTENT OF CREDIT.—Any additional credit assigned under clause (i) shall be given based on the extent to which the housing supported with such purchases is energy efficient.

''(B) TREATMENT OF ADDITIONAL CREDIT.—The availability of additional credit under this paragraph shall not be used to increase any housing goal, subgoal, or target established under this subpart.''.

SEC. ___04. AUTHORITY OF HOUSING-RELATED GOVERNMENT-SPONSORED ENTERPRISES WITH RESPECT TO ENERGY EFFICIENT MORTGAGES AND REPORTING.

(a) FANNIE MAE PURCHASE AUTHORITY.—The Federal National Mortgage Association Charter Act is amended—

(1) in section 302(b) (12 U.S.C. 1717(b)), by adding at the end the following new paragraph:

''(7) The mortgages specified in this subsection that the corporation is authorized to purchase, sell, service, lend on the security of, and otherwise deal in, shall include any such mortgages that are energy efficient mortgages (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008).''; and

(2) in section 309 (12 U.S.C. 1723a)—

(A) in subsection (m)—

(i) in paragraph (1)—

(I) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(II) by inserting after subparagraph (C) the following new subparagraph:

''(D) whether a particular mortgage purchased is an energy efficient mortgage (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008);''; and

(ii) in paragraph (2)(D), by inserting before the closing parenthesis the following: '', and whether the mortgage is an energy efficient mortgage (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008)''; and

(B) in subsection (n)(2)(C), by inserting before the semicolon the following: ''and the extent to which the mortgages on single family and multifamily housing purchased by the corporation are energy efficient mortgages (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008)''.

(b) FREDDIE MAC PURCHASE AUTHORITY.—The Federal Home Loan Mortgage Corporation Act is amended—

(1) in section 305(a) (12 U.S.C. 1454), by adding at the end the following new paragraph:

''(6) The mortgages specified in this subsection that the Corporation is authorized to purchase, sell, service, lend on the security of, and otherwise deal in, shall include any such mortgages that are energy efficient mortgages (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008).''; and

(2) in section 307 (12 U.S.C. 1456)—

(A) in subsection (e)—

(i) in paragraph (1)—

(I) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(II) by inserting after subparagraph (C) the following new subparagraph:

''(D) whether a particular mortgage purchased is an energy efficient mortgage (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008);''; and

(ii) in paragraph (2)(D), by inserting before the closing parenthesis the following: '', and whether the mortgage is an energy efficient mortgage (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008)''; and

(B) in subsection (f)(2)(C), by inserting before the semicolon the following: ''and the extent to which the mortgages on single family and multifamily housing purchased by the Corporation are energy efficient mortgages (as such term is defined in section _____02 of the Energy Efficient Mortgages Act of 2008)''.

SEC. ___05. RECOMMENDATIONS TO ELIMINATE BARRIERS TO USE OF ENERGY EFFICIENT MORTGAGES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this title, the Secretary of Housing and Urban Development, in conjunction with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall consult with the residential mortgage industry and States to develop recommendations to eliminate the barriers that exist to increasing the availability, use, and purchase of energy efficient mortgages, including such barriers as—

(1) the lack of reliable and accessible information on such mortgages, including estimated energy savings and other benefits of energy efficient housing;

(2) the confusion regarding underwriting requirements and differences among various energy efficient mortgage programs;

(3) the complex and time consuming process of securing such mortgages;

(4) the lack of publicly available research on the default risk of such mortgages; and

(5) the availability of certified or accredited home energy rating services.

(b) REPORT TO CONGRESS.—The Secretary of Housing and Urban Development shall submit a report to Congress that—

(1) summarizes the recommendations developed under subsection (a); and

(2) includes any recommendations for statutory, regulatory, or administrative changes the Secretary deems necessary to institute such recommendations.

SEC. ___06. ENERGY EFFICIENT MORTGAGES OUTREACH CAMPAIGN.

(a) IN GENERAL.—The Secretary of Housing and Urban Development, in consultation and coordination with the Secretary of Energy, the Administrator of the Environmental Protection Agency, and State Energy and Housing Finance Directors, shall carry out an education and outreach campaign to inform and educate consumers, home builders, residential lenders, and other real estate professionals on the availability, benefits, and advantages of—

(1) improved energy efficiency in housing; and

(2) energy efficient mortgages.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out the education and outreach campaign described under subsection (a).

SA 4992. Mr. ALLARD submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place in title II of division A, insert the following:

SEC. 12___. FEDERAL HOME LOAN BANK COLLATERAL.

Section 10(a)(3)(D) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)(3)(D)) is amended by inserting ", and other collateral, subject to such regulation, order, and direction as the Agency may prescribe," before "if such collateral".

SA 4993. Mr. MENENDEZ (for himself, Mrs. MURRAY, and Mr. BROWN) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie an the table; as follows:

At the appropriate place, insert the following:

SEC. ___. HOMELESS ASSISTANCE.

(a) APPROPRIATIONS.—Section 726 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11435) is amended by striking "$70,000,000" and all that follows and inserting "$100,000,000 for fiscal year 2009 and such sums as may be necessary for each subsequent fiscal year.".

(b) EMERGENCY ASSISTANCE.—Section 722 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432) is amended by adding at the end the following:

"(h) SPECIAL RULE FOR EMERGENCY ASSISTANCE.—

"(1) EMERGENCY ASSISTANCE.—

"(A) RESERVATION OF AMOUNTS.—Subject to paragraph (4) and notwithstanding any other provision of this title, the Secretary shall use funds appropriated under section 726 for fiscal year 2009, but not to exceed $30,000,000, for the purposes of providing emergency assistance through grants.

"(B) GENERAL AUTHORITY.—The Secretary shall use the funds to make grants to State educational agencies under paragraph (2), to enable the agencies to make subgrants to local educational agencies under paragraph (3), to provide activities described in section 723(d) for individuals referred to in subparagraph (C).

"(C) ELIGIBLE INDIVIDUALS.—Funds made available under this subsection shall be used to provide such activities for eligible individuals, consisting of homeless children and youths, and their families, who have become homeless due to home foreclosure, including children and youths, and their families, who became homeless when lenders foreclosed on properties rented by the families.

"(2) GRANTS TO STATE EDUCATIONAL AGENCIES.—

"(A) DISBURSEMENT.—The Secretary shall make grants with funds provided under paragraph (1)(A) to State educational agencies based on need, consistent with the number of eligible individuals described in paragraph (1)(C) in the States involved, as determined by the Secretary.

"(B) ASSURANCE.—To be eligible to receive a grant under this paragraph, a State educational agency shall provide an assurance to the Secretary that the State educational agency, and each local educational agency receiving a subgrant from the State educational agency under this subsection, shall ensure that the activities carried out under this subsection are consistent with the activities described in section 723(d).

"(3) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—A State educational agency that receives a grant under paragraph (2) shall use the funds made available through the grant to make subgrants to local educational agencies. The State educational agency shall make the subgrants to local educational agencies based on need, consistent with the number of eligible individuals described in paragraph (1)(C) in the areas served by the local educational agencies, as determined by the State educational agency.

"(4) RESTRICTION.—The Secretary—

"(A) shall determine the amount (if any) by which the funds appropriated under section 726 for fiscal year 2009 exceed $70,000,000; and

"(B) may only use funds from that amount to carry out this subsection.".

SA 4994. Mr. BROWN submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. TREATMENT OF NATIONAL COOPERATIVE BANK SUBSIDIARY AS CDFI.

Section 211 of the National Consumer Cooperative Bank Act (12 U.S.C. 3051) is amended—

(1) by redesignating subsection (e) as subsection (f); and

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

"(e) TREATMENT AS CDFI.—Notwithstanding any other provision of law, the nonprofit corporation established under this section shall be deemed to be a community development financial institution for purposes of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4701 et seq.).".

SA 4995. Mr. BROWN submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 455, between lines 14 and 15, insert the following:

SEC. 1606. TRANSFER OF CERTAIN RENTAL ASSISTANCE CONTRACTS.

(a) TRANSFER.—Subject to subsection (c) and notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall, at the request of the owner, transfer or authorize the transfer, of the contracts, restrictions, and debt described in subsection (b)—

(1) on the housing that is owned or managed by Community Properties of Ohio Management Services LLC or an affiliate of Ohio Capital Corporation for Housing and located in Franklin County, Ohio, to other properties located in Franklin County, Ohio; and

(2) on the housing that is owned or managed by The Model Group, Inc., and located in Hamilton County, Ohio, to other properties located in Hamilton County, Ohio.

(b) CONTRACTS, RESTRICTIONS, AND DEBT COVERED.—The contracts, restrictions, and debt described in this subsection are as follows:

(1) All or a portion of a project-based rental assistance housing assistance payments contract under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(2) Existing Federal use restrictions, including without limitation use agreements, regulatory agreements, and accommodation agreements.

(3) Any subordinate debt held by the Secretary or assigned and any mortgages securing such debt, all related loan and security documentation and obligations, and reserve and escrow balances.

(c) RETENTION OF SAME NUMBER OF UNITS AND AMOUNTS OF ASSISTANCE.—Any transfer pursuant to subsection (a) shall result in—

(1) a total number of dwelling units (including units retained by the owners and units transferred) covered by assistance described in subsection (b)(1) after the transfer remaining the same as such number assisted before the transfer, with such increases or

decreases in unit sizes as may be contained in a plan approved by a local planning or development commission or department; and

(2) no reduction in the total amount of the housing assistance payments under contracts described in subsection (b)(1).

SA 4996. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ———. ENFORCEMENT OF MORTGAGE LOAN RULES.

(a) PURPOSE.—The purpose of this section is to enhance enforcement of the mortgage loan rules under the Truth in Lending Act (15 U.S.C. 1601 et seq.) and to prevent harm to consumers and mortgage markets from detrimental practices relating to subprime or nontraditional mortgage loans.

(b) RULEMAKING REQUIRED.—Within 90 days after the date of enactment of this Act, the Federal Trade Commission shall initiate a rulemaking proceeding with respect to subprime mortgage loans and nontraditional mortgage loans in accordance with section 553 of title 5, United States Code, notwithstanding section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) or any other provision of law. Any violation of a rule prescribed under this subsection shall be treated as a violation of a rule under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) regarding unfair or deceptive acts or practices. Violation of the rule is punishable by a civil penalty to the same extent as if it were a violation of a rule promulgated under that Act.

(c) ENFORCEMENT BY STATE ATTORNEYS GENERAL.—

(1) IN GENERAL.—Except as provided in paragraph (6), a State, as parens patriae, may bring a civil action on behalf of its residents in an appropriate State or district court of the United States to enforce the provisions of section 128 of the Truth in Lending Act (15 U.S.C. 1638), any other provision of the Truth in Lending Act, or any subprime mortgage lending rule or nontraditional mortgage loan rule promulgated by the Federal Trade Commission to obtain penalties and relief provided under such Act or rule whenever the attorney general of the State has reason to believe that the interests of the residents of the State have been or are being threatened or adversely affected by a violation of such Act or rule.

(2) NOTICE.—The State shall serve written notice to the Commission of any civil action under subsection (b) at least 60 days prior to initiating such civil action. The notice shall include a copy of the complaint to be filed to initiate such civil action, except that if it is not feasible for the State to provide such prior notice, the State shall provide notice immediately upon instituting such civil action.

(3) INTERVENTION BY FTC.—Upon receiving the notice required by paragraph (2), the Commission may intervene in such civil action and upon intervening—

(A) be heard on all matters arising in such civil action;

(B) remove the action to the appropriate United States district court; and

(C) file petitions for appeal of a decision in such civil action.

(4) SAVINGS CLAUSE.—Nothing in this subsection shall prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence. Nothing in this section shall prohibit the attorney general of a State, or other authorized State officer, from proceeding in State or Federal court on the basis of an alleged violation of any civil or criminal statute of that State.

(5) VENUE; SERVICE OF PROCESS; JOINDER.—In a civil action brought under paragraph (1)—

(A) the venue shall be a judicial district in which the the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code; and

(B) process may be served without regard to the territorial limits of the district or of the State in which the civil action is instituted.

(6) PREEMPTIVE ACTION BY FTC.—Whenever a civil action or an administrative action has been instituted by or on behalf of the Commission for violation of any provision of law or rule described in paragraph (1), no State may, during the pendency of such action instituted by or on behalf of the Commission, institute a civil action under that paragraph against any defendant named in the complaint in such action for violation of any law or rule as alleged in such complaint.

(7) AWARD OF COSTS AND FEES.—If the attorney general of a State prevails in any civil action under paragraph (1), the State can recover reasonable costs and attorney fees from the lender or related party.

SA 4997. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon missions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 510, strike lines 1 through 5, and insert the following:

(C) establish land banks for homes that have been foreclosed upon;

(D) demolish blighted structures;

(E) establish or support land banks for homes that have been damaged or destroyed as a result of Hurricanes Katrina or Rita of 2005, or to rehabilitate or redevelop such damaged or destroyed homes which have been conveyed by the State or unit of local government; and

(F) redevelop demolished or vacant properties.

SA 4998. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 455, between lines 14 and 15, insert the following:

SEC. 1606. PRESERVATION AND PROVISION OF PROJECT-BASED HOUSING FOR AFFORDABLE HOUSING UNITS DAMAGED OR DESTROYED BY HURRICANES KATRINA OR RITA.

(a) OWNER PROPOSALS FOR REUSE OR RESITING OF AFFORDABLE UNITS.—Pursuant to section 215 of title II of division K of Public Law 110-161 (121 Stat. 2433), the Secretary of Housing and Urban Development shall, not later than October 1, 2009, promptly review and approve—

(1) any feasible proposal made by the owner of a covered assisted multifamily housing project submitted to the Secretary that provides for the rehabilitation of such project and the resumption of use of the project-based assistance under the contract for such project; or

(2) the transfer, subject to the conditions established under section 215(b) of title II of division K of Public Law 110-161, of the contract for such covered assisted multifamily housing project, or in the case of a covered assisted multifamily housing project with an interest reduction payments contract, of the remaining budget authority under the contract, to a receiving project or projects.

(b) DEFINITIONS.—For purposes of this section—

(1) the term ''covered assisted multifamily housing project'' means housing that—

(A) meets one of the conditions established in section 215(c)(2) of title II of division K of Public Law 110-161;

(B) was damaged or destroyed by Hurricane Katrina or Hurricane Rita of 2005; and

(C) is located in an area in the State of Louisiana, Alabama, or Mississippi that was the subject of a disaster declaration by the President under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in response to Hurricane Katrina or Hurricane Rita of 2005;

(2) the term ''project-based assistance'' has the same meaning as in section 215(c)(3) of title II of division K of Public Law 110-161; and

(3) the term ''receiving project or projects'' has the same meaning as in section 215(c)(4) of title II of division K of Public Law 110-161.

SA 4999. Mr. SUNUNU (for himself and Ms. SNOWE) proposed an amendment to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend

the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; as follows:

At the end of Division B, insert the following:

TITLE VII—SMALL PUBLIC HOUSING AUTHORITIES PAPERWORK REDUCTION ACT

SEC. 2701. SHORT TITLE.

This title may be cited as the ''Small Public Housing Authorities Paperwork Reduction Act''.

SEC. 2702. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN QUALIFIED PUBLIC HOUSING AGENCIES.

(a) IN GENERAL.—Section 5A(b) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(b)) is amended by adding at the end the following:

''(3) EXEMPTION OF CERTAIN PHAS FROM FILING REQUIREMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1) or any other provision of this Act—

''(i) the requirement under paragraph (1) shall not apply to any qualified public housing agency; and

''(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a 'public housing agency' shall not be considered to refer to any qualified public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

''(B) CIVIL RIGHTS CERTIFICATION.—Notwithstanding that qualified public housing agencies are exempt under subparagraph (A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall, on an annual basis, make the certification described in paragraph (16) of subsection (d), except that for purposes of such qualified public housing agencies, such paragraph shall be applied by substituting 'the public housing program of the agency' for 'the public housing agency plan'.

''(C) DEFINITION.—For purposes of this section, the term 'qualified public housing agency' means a public housing agency that meets the following requirements:

''(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) administered by the agency, is 750 or fewer.

''(ii) The agency is not designated under section 6(j)(2) as a troubled public housing agency.''.

(b) RESIDENT PARTICIPATION.—Section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) is amended—

(1) in subsection (e), by inserting after paragraph (3) the following:

''(4) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified public housing agency from the requirement under paragraph (1) to establish 1 or more resident advisory boards. Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, at the annual public hearing required under subsection (f)(5), regarding any changes to the goals, objectives, and policies of that agency.

''(B) APPLICABILITY OF WAIVER AUTHORITY.—Paragraph (3) shall apply to qualified public housing agencies, except that for purposes of such qualified public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting 'the functions described in the second sentence of paragraph (4)(A)' for 'the functions described in paragraph (2)'.

''(f) PUBLIC HEARINGS.—''; and

(2) in subsection (f) (as so designated by the amendment made by paragraph (1)), by adding at the end the following:

''(5) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) REQUIREMENT.—Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified public housing agency shall annually conduct a public hearing—

''(i) to discuss any changes to the goals, objectives, and policies of the agency; and

''(ii) to invite public comment regarding such changes.

''(B) AVAILABILITY OF INFORMATION AND NOTICE.—Not later than 45 days before the date of any hearing described in subparagraph (A), a qualified public housing agency shall—

''(i) make all information relevant to the hearing and any determinations of the agency regarding changes to the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

''(ii) publish a notice informing the public that—

''(I) the information is available as required under clause (i); and

''(II) a public hearing under subparagraph (A) will be conducted.''.

SA 5000. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the end of Division B, insert the following:

TITLE VII—SMALL PUBLIC HOUSING AUTHORITIES PAPERWORK REDUCTION ACT

SEC. 2701. SHORT TITLE.

This title may be cited as the ''Small Public Housing Authorities Paperwork Reduction Act''.

SEC. 2702. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN QUALIFIED PUBLIC HOUSING AGENCIES.

(a) IN GENERAL.—Section 5A(b) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(b)) is amended by adding at the end the following:

''(3) EXEMPTION OF CERTAIN PHAS FROM FILING REQUIREMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1) or any other provision of this Act—

''(i) the requirement under paragraph (1) shall not apply to any qualified public housing agency; and

''(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a 'public housing agency' shall not be considered to refer to any qualified public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

''(B) CIVIL RIGHTS CERTIFICATION.—Notwithstanding that qualified public housing agencies are exempt under subparagraph (A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall, on an annual basis, make the certification described in paragraph (16) of subsection (d), except that for purposes of such qualified public housing agencies, such paragraph shall be applied by substituting 'the public housing program of the agency' for 'the public housing agency plan'.

''(C) DEFINITION.—For purposes of this section, the term 'qualified public housing agency' means a public housing agency that meets the following requirements:

''(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) administered by the agency, is 750 or fewer.

''(ii) The agency is not designated under section 6(j)(2) as a troubled public housing agency.''.

(b) RESIDENT PARTICIPATION.—Section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) is amended—

(1) in subsection (e), by inserting after paragraph (3) the following:

''(4) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified public housing agency from the requirement under paragraph (1) to establish 1 or more resident advisory boards. Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, at the annual public hearing required under subsection (f)(5), regarding any changes to the goals, objectives, and policies of that agency.

''(B) APPLICABILITY OF WAIVER AUTHORITY.—Paragraph (3) shall apply to qualified public housing agencies, except that for purposes of such qualified public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting 'the functions described in the second sentence of paragraph (4)(A)' for 'the functions described in paragraph (2)'.

''(f) PUBLIC HEARINGS.—''; and

(2) in subsection (f) (as so designated by the amendment made by paragraph (1)), by adding at the end the following:

''(5) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) REQUIREMENT.—Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified public housing agency shall annually conduct a public hearing—

''(i) to discuss any changes to the goals, objectives, and policies of the agency; and

''(ii) to invite public comment regarding such changes.

''(B) AVAILABILITY OF INFORMATION AND NOTICE.—Not later than 45 days before the date of any hearing described in subparagraph (A), a qualified public housing agency shall—

''(i) make all information relevant to the hearing and any determinations of the agency regarding changes to the goals, objectives, and policies of the agency to be considered at the hearing available for inspection

by the public at the principal office of the public housing agency during normal business hours; and

''(ii) publish a notice informing the public that—

''(I) the information is available as required under clause (i); and

''(II) a public hearing under subparagraph (A) will be conducted.''.

SA 5001. Mr. CORKER submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 571, beginning at line 20, strike through line 23 and insert the following:

''(g) APPLICATION OF SECTION.—This section shall only apply to a principal residence purchased by the taxpayer during the period beginning on the date of the enactment of this Act and ending on the date that is 1 year after such date.''.

SA 5002. Mr. CRAPO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 393, line 19, strike ''$300,000,000,000'' and insert ''$68,000,000,000''

SA 5003. Mr. CRAPO submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 471, strike lines 19 through 24, and insert the following:

(5) in subsection (g)—

(A) by striking the first sentence; and

(B) by striking ''established under section 203(b)(2)'' and all that follows through ''located'' and inserting ''limitation established under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence'';

(6) in subsection (i)(1)(C), by striking ''limitations'' and inserting ''limitation'';

On page 471, line 25, strike ''(6)'' and insert ''(7)''.

On page 472, line 1, strike ''(7)'' and insert ''(8)''.

On page 472, line 3, strike ''(8)'' and insert ''(9)''.

On page 472, line 13, strike ''(9)'' and insert ''(10)''.

SA 5004. Mr. NELSON of Florida (for himself and Mr. COLEMAN) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 588, between lines 14 and 15, insert the following:

SEC. ___. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR FORECLOSURE RECOVERY RELIEF FOR INDIVIDUALS WITH MORTGAGES ON THEIR PRINCIPAL RESIDENCES.

(a) IN GENERAL.—Section 72(t) of the Internal Revenue Code of 1986 shall not apply to any qualified foreclosure recovery distribution.

(b) LIMITATIONS.—

(1) IN GENERAL.—For purposes of this section, in the case of an individual who is an eligible taxpayer, the aggregate amount of distributions received by the individual which may be treated as qualified foreclosure recovery distributions for any taxable year shall not exceed the lesser of—

(A) the individual's qualified mortgage expenditures for the taxable year, or

(B) the excess (if any) of—

(i) $25,000, over

(ii) the aggregate amounts treated as qualified foreclosure recovery distributions received by such individual for all prior taxable years.

(2) ELIGIBLE TAXPAYER.—The term ''eligible taxpayer'' means, with respect to any taxable year, a taxpayer—

(A) with adjusted gross income for the taxable year not in excess of $55,000 ($110,000 in the case of a joint return under section 6013), and

(B) who provides certification to the Secretary of participation in any government or mortgage industry-sponsored refinancing plan during such taxable year.

(3) TREATMENT OF PLAN DISTRIBUTIONS.—

(A) IN GENERAL.—If a distribution to an individual would (without regard to paragraph (1) or (2)) be a qualified foreclosure recovery distribution, a plan shall not be treated as violating any requirement of the Internal Revenue Code of 1986 merely because the plan treats such distribution as a qualified foreclosure recovery distribution, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds $25,000.

(B) CONTROLLED GROUP.—For purposes of subparagraph (A), the term ''controlled group'' means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of such Code.

(c) AMOUNT DISTRIBUTED MAY BE REPAID.—

(1) IN GENERAL.—Any individual who receives a qualified foreclosure recovery distribution may, at any time during the 2-year period beginning on the day after the date on which such distribution was received, make one or more contributions in an aggregate amount not to exceed the amount of such distribution to an eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16) of the Internal Revenue Code of 1986, as the case may be.

(2) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—For purposes of such Code, if a contribution is made pursuant to paragraph (1) with respect to a qualified foreclosure recovery distribution from an eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received the qualified foreclosure recovery distribution in an eligible rollover distribution (as defined in section 402(c)(4) of such Code) and as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(3) TREATMENT OF REPAYMENTS FOR DISTRIBUTIONS FROM IRAS.—For purposes of such Code, if a contribution is made pursuant to paragraph (1) with respect to a qualified foreclosure recovery distribution from an individual retirement plan (as defined by section 7701(a)(37) of such Code), then, to the extent of the amount of the contribution, the qualified foreclosure recovery distribution shall be treated as a distribution described in section 408(d)(3) of such Code and as having been transferred to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(4) APPLICATION TO ELIGIBLE RETIREMENT PLANS.—

(A) IN GENERAL.—Nothing in this section shall be treated as requiring an eligible retirement plan to accept any contributions described in this subsection.

(B) QUALIFICATION.—An eligible retirement plan shall not be treated as violating any requirement of Federal law solely by reason of the acceptance of contributions described in this subparagraph.

(d) DEFINITIONS.—For purposes of this section—

(1) QUALIFIED FORECLOSURE RECOVERY DISTRIBUTION.—The term ''qualified foreclosure recovery distribution'' means any distribution to an individual from an eligible retirement plan which is made—

(A) on or after the date of the enactment of this Act and before January 1, 2010, and

(B) during a taxable year during which the individual has qualifying mortgage expenditures.

(2) QUALIFYING MORTGAGE EXPENDITURES.—

(A) IN GENERAL.—The term ''qualifying mortgage expenditures'' means any of the following expenditures:

(i) Payment of principal or interest on an applicable mortgage.

(ii) Payment of costs paid or incurred in refinancing, or modifying the terms of, an applicable mortgage.

(B) APPLICABLE MORTGAGE.—The term ''applicable mortgage'' means a mortgage which—

(i) was entered into after December 31, 2002, and before the date of the enactment of this Act, and

(ii) constitutes a security interest in the principal residence of the mortgagor.

(C) JOINT FILERS.—In the case of married individuals filing a joint return under section 6013 of the Internal Revenue Code of 1986, the qualifying mortgage expenditures of the taxpayer may be allocated between the spouses in such manner as they elect.

(3) ELIGIBLE RETIREMENT PLAN.—The term ''eligible retirement plan'' shall have the meaning given such term by section 402(c)(8)(B) of such Code.

(4) PRINCIPAL RESIDENCE.—The term ''principal residence'' has the same meaning as when used in section 121 of such Code.

(e) INCOME INCLUSION SPREAD OVER 2-YEAR PERIOD FOR QUALIFIED FORECLOSURE RECOVERY DISTRIBUTIONS.—

(1) IN GENERAL.—In the case of any qualified foreclosure recovery distribution, unless the taxpayer elects not to have this subsection apply for any taxable year, any amount required to be included in gross income for such taxable year shall be so included ratably over the 2-taxable year period beginning with such taxable year.

(2) SPECIAL RULE.—For purposes of paragraph (1), rules similar to the rules of subparagraph (E) of section 408A(d)(3) of the Internal Revenue Code of 1986 shall apply.

(f) SPECIAL RULES.—

(1) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405 of the Internal Revenue Code of 1986, qualified foreclosure recovery distributions shall not be treated as eligible rollover distributions.

(2) QUALIFIED FORECLOSURE RECOVERY DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—For purposes of such Code, a qualified foreclosure recovery distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A) of such Code.

(3) SUBSTANTIALLY EQUAL PERIODIC PAYMENTS.—A qualified foreclosure recovery distribution—

(A) shall be disregarded in determining whether a payment is a part of a series of substantially equal periodic payments under section 72(t)(2)(A)(iv) of such Code, and

(B) shall not constitute a change in substantially equal periodic payments under section 72(t)(4) of such Code.

(g) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in paragraph (2)(B)(i).

(2) AMENDMENTS TO WHICH SUBSECTION APPLIES.—

(A) IN GENERAL.—This subsection shall apply to any amendment to any plan or annuity contract which is made—

(i) pursuant to the provisions of this section, or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under this section, and

(ii) on or before the last day of the first plan year beginning on or after January 1, 2010, or such later date as the Secretary of the Treasury may prescribe.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), clause (ii) shall be applied by substituting the date which is 2 years after the date otherwise applied under clause (ii).

(B) CONDITIONS.—This subsection shall not apply to any amendment unless—

(i) during the period—

(I) beginning on the date the legislative or regulatory amendment described in subparagraph (A)(i) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, any later effective date specified by the plan), and

(II) ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect; and

(ii) such plan or contract amendment applies retroactively for such period.

SA 5005. Mr. ISAKSON (for himself and Mr. CORKER) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 571, beginning at line 20, strike through line 23 and insert the following:

''(g) APPLICATION OF SECTION.—This section shall only apply to a principal residence purchased by the taxpayer during the period beginning on the date of the enactment of this Act and ending on the date that is 1 year after such date.''.

SA 5006. Mr. VITTER (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. LIMIT ON CREDIT DELIVERY AND ADVERSE MARKET FEES.

(a) IN GENERAL.—During the 1-year period beginning on the date of enactment of this Act, the enterprises may not engage in the practice of charging or otherwise collecting adverse credit delivery or adverse market fees, based on a borrower's credit score, for any mortgage purchased, otherwise guaranteed, or securitized by an enterprise in any State that has experienced an average foreclosure rate that is lower than the national average.

(b) DEFINITIONS.—As used in this section—

(1) the term ''adverse credit delivery fee'' means a post-settlement fee that is contingent upon a purchaser's credit score and loan-to-value ratio; and

(2) the term ''adverse market fees'' means a post-settlement fee that is contingent upon the condition of the real estate market in a particular county, parish, or State.

SA 5007. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the end of subtitle B of title I of division C, insert the following:

SEC. 3013. DEDUCTION FOR POINTS ON HOME MORTGAGE REFINANCING ALLOWED IN YEAR PAID.

(a) DEDUCTION.—

(1) IN GENERAL.—Paragraph (2) of section 461(g) (relating to prepaid interest) is amended—

(A) by striking ''This subsection'' and inserting the following:

''(A) IN GENERAL.—This subsection'', and

(B) by adding at the end the following new subparagraph:

''(B) EXCEPTION FOR CERTAIN REFINANCINGS.—

''(i) IN GENERAL.—This subsection shall not apply to points paid—

''(I) in respect of indebtedness secured by such residence resulting from the refinancing of indebtedness meeting the requirements of the subparagraph (A), and

''(II) before January 1, 2011.

''(ii) LIMITATION.—Clause (i) shall apply only to the extent the amount of the indebtedness resulting from such refinancing does not exceed the sum of—

''(I) the amount of the refinanced indebtedness, plus

''(II) the lesser of $10,000 or the points paid in respect of the indebtedness resulting from the refinancing to the extent that the indebtedness resulting from the refinancing does not exceed the refinanced indebtedness.

''(iii) ADJUSTMENT FOR INFLATION.—In the case of any calendar year beginning after 2008, the $10,000 amount under clause (ii)(II) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2007' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100, such amount shall be rounded to the next nearest multiple of $100.''.

(2) CONFORMING AMENDMENT.—The heading of paragraph (2) of section 461(g) is amended by striking ''EXCEPTION'' and inserting ''EXCEPTIONS''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid in taxable years beginning after December 31, 2007.

(b) OFFSET.—There is hereby rescinded 100 percent of budget authority provided for the appropriations in titles III and IV of division B.

SA 5008. Mr. CHAMBLISS (for himself and Mr. CORKER) submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing

carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 407, strike lines 17 through 25, and insert the following:

(B) OTHER DEFINITIONS RELATING TO LOAN ORIGINATOR.—For purposes of this section, an individual shall be considered to be an employee of a depository institution or a majority-owned depository institution, regardless of how his or her compensation is reported, if the—

(i) individual acts as a loan originator only for that institution;

(ii) institution takes supervisory and financial responsibility for the individual's regulated activities on behalf of the institution; and

(iii) individual's activities are subject to oversight and regulation by a Federal banking agency.

SA 5009. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

Beginning on page 623, line 5, strike through line 12 and insert the following:

EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to returns for calendar years beginning after December 31, 2011.

(2) APPLICATION OF BACKUP WITHHOLDING.—The amendment made by subsection (c) shall apply to amounts paid after December 31, 2012.

SA 5010. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

Beginning on page 615, line 4, strike through page 623, line 12.

SA 5011. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

Insert the following at the appropriate place:

SEC. . PROHIBITION OF SELLER-FUNDED DOWNPAYMENT ASSISTANCE.

(a) IN GENERAL.—Paragraph (9) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended by adding at the end the following: ''In no case shall the funds required by this paragraph consist, in whole or in part, of funds provided by any of the following parties before, during, or after closing of the property sale: (A) the seller or any other person or entity that financially benefits from the transaction; or (B) any third party or entity that is reimbursed, directly or indirectly by any of the parties described in subparagraph (A) of this paragraph.'';

(b) SANCTIONS.—Section 1014 of title 18, United States Code, is amended in the first sentence—(1) by inserting ''the Federal Housing Administration,'' before ''the Farm Credit Administration''; and

(2) by striking ''commitment, or loan'' and inserting ''commitment, loan, insurance agreement or application for insurance or a guarantee''.

SA 5012. Mr. KERRY (for Mr. KENNEDY (for himself and Mr. KERRY)) submitted an amendment intended to be proposed by Mr. KERRY to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. ELIGIBILITY OF CERTAIN PROJECTS FOR ENHANCED VOUCHER ASSISTANCE.

Notwithstanding any other provision of law—

(1) the property known as The Heritage Apartments (FHA No. 023-44804), in Malden, Massachusetts, shall be considered eligible low-income housing for purposes of the eligibility of residents of the property for enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)), pursuant to paragraph (2)(A) of section 223(f) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113(f)(2)(A));

(2) such residents shall receive enhanced rental housing vouchers upon the prepayment of the mortgage loan for the property under section 236 of the National Housing Act (12 U.S.C. 1715z–1); and

(3) the Secretary shall approve such prepayment and subsequent transfer of the property without any further condition, except that the property shall be restricted for occupancy, until the original maturity date of the prepaid mortgage loan, only by families with incomes not exceeding 80 percent of the adjusted median income for the area in which the property is located, as published by the Secretary.

Amounts for the enhanced vouchers pursuant to this section shall be provided under amounts appropriated for tenant-based rental assistance otherwise authorized under section 8(t) of the United States Housing Act of 1937.

SA 5013. Mr. TESTER (for himself and Mr. ENZI) submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place in title II of Division A, insert the following:

SEC. 12__. INVESTMENT AUTHORITY TO SUPPORT RURAL INFRASTRUCTURE.

Section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) is amended by adding at the end the following:

''(1) MISSION INVESTMENTS FOR RURAL INFRASTRUCTURE.—In furtherance of its mission under section 5, each Federal Home Loan Bank is authorized to purchase investment grade securities from nonmember cooperative lenders that have received financing from the Federal Financing Bank and that possess demonstrated experience in making loans to rural cooperatives. Such securities shall be secured investments collateralized by loans of the cooperative lender. The purchase of such securities shall be at the sole discretion of the Bank, consistent with such regulations, restrictions, and limitations as may be prescribed by the Board.''.

SA 5014. Mr. DODD (for Mr. INOUYE (for himself and Mr. STEVENS)) proposed an amendment to the bill S. 2607, to make a technical correction to section 3009 of the Deficit Reduction Act of 2005; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''DTV Transition Assistance Act''.

SEC. 2. DTV TRANSITION.

(a) IN GENERAL.—Section 3008(a) of the Digital Television Transition and Public Safety Act of 2005 is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Assistant Secretary''; and

(2) by adding at the end thereof the following:

''(2) USE OF FUNDS.—As soon as practicable after the date of enactment of the DTV Transition Assistance Act, the Assistant Secretary shall make a determination, which the Assistant Secretary may adjust from time to time, with respect to whether the full amount provided under paragraph (1) will be needed for payments under that paragraph. If the Assistant Secretary determines

that the full amount will not be needed for payments authorized by paragraph (1), the Assistant Secretary may use the remaining amount for consumer education and technical assistance regarding the digital television transition and the availability of the digital-to-analog converter box program (in addition to any amounts expended for such purpose under 3005(c)(2)(A) of this title), including partnering with, providing grants to, and contracting with non-profit organizations or public interest groups in achieving these efforts. If the Assistant Secretary initiates such an education program, the Assistant Secretary shall develop a plan to address the educational and technical assistance needs of vulnerable populations, such as senior citizens, individuals residing in rural and remote areas, and minorities, including, where appropriate, education plans focusing on the need for analog pass-through digital converter boxes in areas served by low power or translator stations, and shall consider the speed with which these objectives can be accomplished to the greatest public benefit.''.

(b) FISCAL YEARS TO WHICH APPLICABLE.—Section 3009(a) of the Deficit Reduction Act of 2005 (Public Law 109–171) is amended—

(1) by striking ''fiscal year 2009'' and inserting ''fiscal years 2009 through 2012''; and

(2) by striking ''no earlier than October 1, 2010'' and inserting ''on or after February 18, 2009''.

SA 5015. Mr. DODD (for himself and Mr. SHELBY) proposed an amendment to the bill S. 2159, to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration; as follows:

On page 16, strike lines 8 through 11 and insert the following:

''(c) PERIOD FOR ISSUANCE.—Notwithstanding any other provision of law, including section 7(d), the Secretary—

''(1) may accept orders for the coins authorized under this Act during the period beginning on January 1, 2008 and ending on December 31, 2008; and

''(2) may mint and issue such coins required to fulfill such orders during the period beginning on January 1, 2008 and ending on December 31, 2009.

''(d) EXCEPTION TO PROGRAM LIMITATION.—Notwithstanding any other provision of law, the minting or issuance of coins under this Act in 2009 does not—

''(1) preclude the Secretary from including a surcharge on the issuance of any other commemorative coin minted or issued in 2009; and

''(2) be counted against the annual 2 commemorative coin program minting and issuance limitation under section 5112(m)(1) of title 31, United States Code.

''(e) ISSUANCE OF GOLD COINS.—Each gold coin''.

SA 5016. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CASE MANAGEMENT AND HOUSING TRANSITION FUNDING.

(a) AVAILABILITY OF AMOUNTS.—There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year 2008, to the State of Louisiana, $5,000,000, to be used by the State for case management and housing transition services for families in areas impacted by Hurricanes Katrina and Rita of 2005.

(b) GAO STUDY AND REPORT.—

(1) IN GENERAL.—Upon the expiration of the 2-year period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall conduct a study of the program carried out under this section to determine the effectiveness and limitations of, and potential improvements for, such program.

(2) TIMING OF REPORT.—Not later than 180 days after the expiration of the 2-year period described in paragraph (1), the Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Financial Services and the Committee on Transportation and Infrastructure of the House of Representatives regarding the results of the study.

(3) REQUIRED CONTENT.—The report required under paragraph (2) shall include a forensic audit that examines the effectiveness of internal controls to prevent waste, fraud, and abuse within the program.

SA 5017. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 588, strike lines 9 through 12, and insert:

(1) by striking ''2 years'' and inserting ''5 years'',

(2) by striking ''December 31, 1996'' and inserting ''August 1, 2005'', and

(3) by striking ''January 1, 1999'' and inserting ''January 1, 2010''.

SA 5018. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 27, strike lines 4 through 9, and insert the following:

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this subtitle for such taxable year an amount equal to 10 percent of the purchase price of a residence—

''(1) in the case of an individual who is a first-time homebuyer of a principal residence in the United States during a taxable year, or

''(2) in the case of an individual who—

''(A) is a homebuyer of a principal residence in the United States that is damaged or destroyed as a result of a natural disaster and that has been sold or transferred to a State or an agency or political subdivision thereof as a result of such damage or destruction, and

''(B) submits a certification by the State or by the appropriate agency or subdivision thereof that such residence meets the requirements of subparagraph (A).''.

SA 5019. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 4983 proposed by Mr. REID (for Mr. DODD (for himself and Mr. SHELBY)) to the bill H.R. 3221, moving the United States toward greater energy independence and security, developing innovative new technologies, reducing carbon emissions, creating green jobs, protecting consumers, increasing clean renewable energy production, and modernizing our energy infrastructure, and to amend the Internal Revenue Code of 1986 to provide tax incentives for the production of renewable energy and energy conservation; which was ordered to lie on the table; as follows:

On page 385, between lines 8 and 9, insert the following:

''(12) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—A mortgagor shall not be eligible for insurance under this section, if the adjusted gross income reported by the mortgagor exceeds $75,000 or in the case of mortgagors filing jointly $150,000.

''(B) DEFINITION.—For purposes of this paragraph, the term 'adjusted gross income' has the same meaning given that term in section 62 of the Internal Revenue Code of 1986.''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, June 19, 2008, at 10 a.m., in room 253 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled ''Two Years after the MINER Act: How Safe is Mining Today?'' on Thursday, June 19, 2008, at 10 a.m. in room 430 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, June 19, at 9:30 a.m. in room 562 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 19, 2008, at 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECURITIES, INSURANCE, AND INVESTMENT SUBCOMMITTEE

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs Securities, Insurance, and Investment Subcommittee be authorized to meet during the session of the Senate on June 19, 2008, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DODD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 19, 2008, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet during the session of the Senate on Thursday, June 19, 2008, at 2 p.m. to conduct a hearing entitled, ''Management Challenges Facing the Federal Protective Service: What is at Risk?''

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. DODD. Mr. President, I ask unanimous consent that three members of my staff, Seth Olson, Charles von Althann, and Eitan Goldstein, be granted the privilege of the floor during today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I ask unanimous consent that Tom Edwards, Jordan August, and Bobby Schena of my staff be granted the privileges of the floor for the duration of the 110th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEFICIT REDUCTION TECHNICAL CORRECTION ACT OF 2005

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 774, S. 2607.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2607) to make technical corrections to section 3009 of the Deficit Reduction Act of 2005.

There being no objection, the Senate proceeded to consider the bill.

Mr. DODD. I ask unanimous consent that an Inouye substitute amendment which is at the desk be agreed to, the bill as amended be read a third time and passed, the motions 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 amendment (No. 5014) was agreed to, as follows:

AMENDMENT NO. 5014

(Purpose: To provide for additional consumer outreach and education concerning the digital television transition, and for other purposes.)

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''DTV Transition Assistance Act''.

SEC. 2. DTV TRANSITION.

(a) IN GENERAL.—Section 3008(a) of the Digital Television Transition and Public Safety Act of 2005 is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Assistant Secretary''; and

(2) by adding at the end thereof the following:

''(2) USE OF FUNDS.—As soon as practicable after the date of enactment of the DTV Transition Assistance Act, the Assistant Secretary shall make a determination, which the Assistant Secretary may adjust from time to time, with respect to whether the full amount provided under paragraph (1) will be needed for payments under that paragraph. If the Assistant Secretary determines that the full amount will not be needed for payments authorized by paragraph (1), the Assistant Secretary may use the remaining amount for consumer education and technical assistance regarding the digital television transition and the availability of the digital-to-analog converter box program (in addition to any amounts expended for such purpose under 3005(c)(2)(A) of this title), including partnering with, providing grants to, and contracting with non-profit organizations or public interest groups in achieving these efforts. If the Assistant Secretary initiates such an education program, the Assistant Secretary shall develop a plan to address the educational and technical assistance needs of vulnerable populations, such as senior citizens, individuals residing in rural and remote areas, and minorities, including, where appropriate, education plans focusing on the need for analog pass-through digital converter boxes in areas served by low power or translator stations, and shall consider the speed with which these objectives can be accomplished to the greatest public benefit.''.

(b) FISCAL YEARS TO WHICH APPLICABLE.—Section 3009(a) of the Deficit Reduction Act of 2005 (Public Law 109–171) is amended—

(1) by striking ''fiscal year 2009'' and inserting ''fiscal years 2009 through 2012''; and

(2) by striking ''no earlier than October 1, 2010'' and inserting ''on or after February 18, 2009''.

The bill (S. 2607), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

REQUIRING THE SECRETARY OF THE TREASURY TO MINT COINS

Mr. DODD. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 2159 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2159) to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration.

There being no objection, the Senate proceeded to consider the bill.

Mr. DODD. I ask unanimous consent that a Dodd-Shelby amendment which is at the desk be agreed to, the bill, as amended, be read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

THE PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5015) was agreed to, as follows:

(Purpose: To extend the period during which the coins may be minted and issued)

On page 16, strike lines 8 through 11 and insert the following:

''(c) PERIOD FOR ISSUANCE.—Notwithstanding any other provision of law, including section 7(d), the Secretary—

''(1) may accept orders for the coins authorized under this Act during the period beginning on January 1, 2008 and ending on December 31, 2008; and

''(2) may mint and issue such coins required to fulfill such orders during the period beginning on January 1, 2008 and ending on December 31, 2009.

''(d) EXCEPTION TO PROGRAM LIMITATION.—Notwithstanding any other provision of law, the minting or issuance of coins under this Act in 2009 does not—

''(1) preclude the Secretary from including a surcharge on the issuance of any other commemorative coin minted or issued in 2009; and

''(2) be counted against the annual 2 commemorative coin program minting and issuance limitation under section 5112(m)(1) of title 31, United States Code.

''(e) ISSUANCE OF GOLD COINS.—Each gold coin''.

The bill (S. 2159), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2159

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 ''NASA 50th Anniversary Commemorative Coin Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the National Aeronautics and Space Administration began operation on October 1, 1958, with about 8,000 employees and an annual budget of $100,000,000;

(2) over the next 50 years, the National Aeronautics and Space Administration has been involved in many defining events which have shaped the course of human history and

demonstrated to the world the character of the people of the United States;

(3) among the many firsts by the National Aeronautics and Space Administration are that—

(A) on December 6, 1958, the United States launched Pioneer 3, the first United States satellite to ascend to an altitude of 63,580 miles;

(B) on March 3, 1959, the United States sent Pioneer 4 to the Moon, successfully making the first United States lunar flyby;

(C) on April 1, 1960, the United States launched TIROS 1, the first successful meteorological satellite, observing Earth's weather;

(D) on May 5, 1961, Freedom 7, carrying Astronaut Alan B. Shepard, Jr., was the first American space flight involving human beings;

(E) on February 20, 1962, John Glenn became the first American to circle the Earth, making 3 orbits in his Friendship 7 Mercury spacecraft;

(F) on December 14, 1962, Mariner 2 became the first spacecraft to commit a successful planetary flyby (Venus);

(G) on April 6, 1965, the United States launched Intelsat I (also known as Early Bird 1), the first commercial satellite (communications), into geostationary orbit;

(H) on June 3 through 7, 1965, the second piloted Gemini mission, Gemini IV, stayed aloft for 4 days, and astronaut Edward H. White II performed the first EVA or ''spacewalk'' by an American;

(I) on June 2, 1966, Surveyor 1 became the first American spacecraft to soft-land on the Moon;

(J) on May 31, 1971, the United States launched Mariner 9, the first mission to orbit another planet (Mars) beginning November 13, 1971;

(K) on April 12, 1981, the National Aeronautics and Space Administration launched the Space Shuttle Columbia on the first flight of the Space Transportation System (STS–1).

(L) on June 18, 1983, the National Aeronautics and Space Administration launched Space Shuttle Challenger (STS–7) carrying 3 mission specialists, including Sally K. Ride, the first woman astronaut;

(M) in another historic mission, 2 months later, the National Aeronautics and Space Administration launched STS–8 carrying the first black American astronaut, Guion S. Bluford; and

(N) on July 23, 1999, the Space Shuttle Columbia's 26th flight was led by Air Force Col. Eileen Collins, the first woman to command a Shuttle mission;

(4) on April 9, 1959, the National Aeronautics and Space Administration unveiled the Mercury astronaut corps, 7 men with ''the right stuff'': John H. Glenn, Jr., Walter M. Schirra, Jr., Alan B. Shepard, Jr., M. Scott Carpenter, L. Gordon Cooper, Virgil I. ''Gus'' Grissom, and Donald K. ''Deke'' Slayton;

(5) on May 25, 1961, President John F. Kennedy, reflecting the highest aspirations of the American people, proclaimed: ''I believe this Nation should commit itself to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to Earth. No single space project in this period will be more impressive to mankind, or more important in the long-range exploration of space; and none will be so difficult or expensive to accomplish.'';

(6) on September 19, 1961, the National Aeronautics and Space Administration announced that the National Aeronautics and Space Administration center dedicated to human space flight would be built in Houston, Texas;

(7) on February 17, 1973, the Manned Spacecraft Center in Houston was renamed the Lyndon B. Johnson Space Center;

(8) on December 21, 1968, Apollo 8 took off atop a Saturn V booster from the Kennedy Space Center for a historic mission to orbit the Moon;

(9) as Apollo 8 traveled outward, the crew focused a portable television camera on Earth and for the first time humanity saw its home from afar, a tiny, lovely, and fragile ''blue marble'' hanging in the blackness of space;

(10) this transmission and viewing of Earth from a distance was an enormously significant accomplishment and united the Nation at a time when American society was in crisis over Vietnam, race relations, urban problems, and a host of other difficulties;

(11) on July 20, 1969, Apollo 11 astronauts Neil A. Armstrong and Edwin E. Aldrin made the first lunar landing mission while Michael Collins orbited overhead in the Apollo command module;

(12) Armstrong set foot on the surface of the Moon, telling the millions of listeners that it was ''one small step for a man, one giant leap for mankind'', and Aldrin soon followed and planted an American flag, but omitted claiming the land for the United States, as had routinely been done during European exploration of the Americas;

(13) the 2 Moon walkers left behind an American flag and a plaque bearing the inscription: ''Here Men From The Planet Earth First Set Foot Upon the Moon. Jul. 1969 A.D. We Came in Peace for All Mankind.'';

(14) on April 24, 1990, the Hubble Space Telescope was launched into space aboard the STS–31 mission of the Space Shuttle Discovery, and since then, the Hubble has revolutionized astronomy, while expanding our knowledge of the universe and inspiring millions of scientists, students, and members of the public with its unprecedented deep and clear images of space;

(15) on July 4, 1997, the Mars Pathfinder landed on Mars and on January 29, 1998, an International Space Station agreement among 15 countries met in Washington, DC, to sign agreements to establish the framework for cooperation among the partners on the design, development, operation, and utilization of the Space Station;

(16) the National Aeronautics and Space Administration's stunning achievements over the last 50 years have been won for all mankind at great cost and sacrifice; in the quest to explore the universe, many National Aeronautics and Space Administration employees have lost their lives, including the crews of Apollo 1, the Space Shuttle Challenger, and the Space Shuttle Columbia;

(17) the success of the United States space exploration program in the 20th Century augurs well for its continued leadership in the 21st Century, such leadership being attributable to the remarkable and indispensable partnership between the National Aeronautics and Space Administration and its 10 space and research centers, including—

(A) from small spacecraft to supercomputers, science missions and payloads to thermal protection systems, information technology to aerospace, the Ames Research Center in California's Silicon Valley, which provides products, technologies, and services that enable NASA missions and expand human knowledge.

(B) the Dryden Flight Research Center, the leading center for innovative flight research;

(C) the Glenn Research Center, which develops power, propulsion, and communication technologies for space flight systems and aeronautics research;

(D) the Goddard Space Flight Center, which specializes in research to expand knowledge on the Earth and its environment, the solar system, and the universe through observations from space;

(E) the Jet Propulsion Laboratory, the leading center for robotic exploration of the Solar System;

(F) the Johnson Space Center, which manages the development, testing, production, and delivery of all United States human spacecraft and all human spacecraft-related functions;

(G) the Kennedy Space Center, the gateway to the Universe and world leader in preparing and launching missions around the Earth and beyond;

(H) the Langley Research Center, which continues to forge new frontiers in aviation and space research for aerospace, atmospheric sciences, and technology commercialization to improve the way the world lives;

(I) the Marshall Space Flight Center, a world leader in developing space transportation and propulsion systems that accelerate exploration and scientific discovery, including the Michoud Assembly Facility, which has been a world-class facility since 1961 for fabrication of large space structures, including the Saturn V and the Space Shuttle External Tank, and which will have a critical role in the Constellation program, including manufacturing major pieces of the Orion crew capsule, the Ares I upper stage, and the Ares V core stage; and

(J) the Stennis Space Center, which is responsible for rocket propulsion testing and for partnering with industry to develop and implement remote sensing technology;

(18) the United States should pay tribute to the National Aeronautics and Space Administration, and to its successful partnerships with the space and research centers, by minting and issuing a commemorative silver dollar coin; and

(19) the surcharge proceeds from the sale of a commemorative coin would generate valuable funding for the National Aeronautics and Space Administration Families Assistance Fund, for the purposes of providing need-based financial assistance to the families of any National Aeronautics and Space Administration personnel who lose their lives as a result of injuries suffered in the performance of their official duties, and for other worthy and important purposes.

SEC. 3. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—In commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration, the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue the following coins:

(1) $50 GOLD COINS.—Not more than 50,000 $50 gold coins, which shall—

(A) weigh 33.931 grams;

(B) have a diameter of 32.7 millimeters; and

(C) contain 1 troy ounce of fine gold.

(2) $1 SILVER COINS.—Not more than 300,000 $1 coins of each of the 9 designs specified in section 4(a)(3)(B), which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

(d) MINTAGE LEVEL LIMIT.—Notwithstanding the mintage level limit described under section 5112(m)(2)(A)(ii) of title 31, United States Code, the Secretary may mint

and issue not more than 300,000 of each of the 9 $1 coins authorized to be minted under this Act.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the 50 years of exemplary and unparalleled achievements of the National Aeronautics and Space Administration.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act, there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year ''2008''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum'', and such other inscriptions as the Secretary may determine to be appropriate for the designs of the coins.

(3) COIN IMAGES.—

(A) $50 COINS.—

(i) OBVERSE.—The obverse of the $50 coins issued under this Act shall bear an image of the sun.

(ii) REVERSE.—The reverse of the $50 coins issued under this Act shall bear a design emblematic of the sacrifice of the United States astronauts who lost their lives in the line of duty over the course of the space program.

(iii) HIGH RELIEF.—The design and inscriptions on the obverse and reverse of the $50 coins issued under this Act shall be in high relief.

(B) $1 COINS.—

(i) OBVERSE.—The obverse of the $1 coins issued under this Act shall bear 9 different designs, each of which shall consist of an image of 1 of the 9 planets of the solar system, including Earth.

(ii) REVERSE.—The reverse of the $1 coins issued under this Act shall bear different designs, each of which shall be emblematic of the contributions of the research and space centers, subject to the following requirements:

(I) EARTH COIN.—The reverse of the $1 coins issued under this Act which bear an image of the Earth on the obverse shall bear images emblematic of, and honoring, the discoveries and missions of the National Aeronautics and Space Administration, the Mercury, Gemini, and Space Shuttle missions and other manned Earth-orbiting missions, and the Apollo missions to the Moon.

(II) JUPITER COIN.—The reverse of the $1 coins issued under this Act which bear an image of the planet Jupiter on the obverse shall include a scientifically accurate depiction of the Galilean moon Europa and depict both a past and future mission to Europa.

(III) SATURN COIN.—The reverse of the $1 coins issued under this Act which bear an image of the planet Saturn on the obverse shall include a scientifically accurate depiction of the moon Titan and depict both a past and a future mission to Titan.

(IV) PLUTO (AND OTHER DWARF PLANETS) COIN.—The reverse of the $1 coins issued under this Act which bear an image of the planet Pluto on the obverse shall include a design that is emblematic of telescopic exploration of deep space by the National Aeronautics and Space Administration and the ongoing search for Earth-like planets orbiting other stars.

(4) REALISTIC AND SCIENTIFICALLY ACCURATE DEPICTIONS.—The images for the designs of coins issued under this Act shall be selected on the basis of the realism and scientific accuracy of the images and on the extent to which the images are reminiscent of the dramatic and beautiful artwork on coins of the so-called ''Golden Age of Coinage'' in the United States, at the beginning of the Twentieth Century, with the participation of such noted sculptors and medallic artists as James Earle Fraser, Augustus Saint-Gaudens, Victor David Brenner, Adolph A. Weinman, Charles E. Barber, and George T. Morgan.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary, after consultation with the Administrator of the National Aeronautics and Space Administration and the Commission of Fine Arts; and

(2) reviewed by the Citizens Coin Advisory Committee.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in proof quality only.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular combination of denomination and quality of the coins minted under this Act.

(c) PERIOD FOR ISSUANCE.—Notwithstanding any other provision of law, including section 7(d), the Secretary—

(1) may accept orders for the coins authorized under this Act during the period beginning on January 1, 2008 and ending on December 31, 2008; and

(2) may mint and issue such coins required to fulfill such orders during the period beginning on January 1, 2008 and ending on December 31, 2009.

(d) EXCEPTION TO PROGRAM LIMITATION.—Notwithstanding any other provision of law, the minting or issuance of coins under this Act in 2009 does not—

(1) preclude the Secretary from including a surcharge on the issuance of any other commemorative coin minted or issued in 2009; and

(2) be counted against the annual 2 commemorative coin program minting and issuance limitation under section 5112(m)(1) of title 31, United States Code.

(e) ISSUANCE OF GOLD COINS.—Each gold coin minted under this Act may be issued only as part of a complete set with 1 of each of the 9 $1 coins minted under this Act.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in section 7(a) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(c) PRESENTATION.—In addition to the issuance of coins under this Act in such other methods of presentation as the Secretary determines to be appropriate, the Secretary shall provide, as a sale option, a presentation case which displays the $50 gold coin in the center, surrounded by the $1 silver coins in elliptical orbits. All such presentation cases shall bear a plaque with appropriate inscriptions that include the names and dates of the spacecraft missions on which United States astronauts lost their lives over the course of the space program and the names of such astronauts.

SEC. 7. SURCHARGES.

(a) IN GENERAL.—All sales of coins minted under this Act shall include a surcharge as follows:

(1) A surcharge of $50 per coin for the $50 coin.

(2) A surcharge of $10 per coin for the $1 coin.

(3) A surcharge of $1 per coin for any bronze duplicate minted under section 8.

(b) DISTRIBUTION.—Subject to section 5134(f) of title 31, United States Code, all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly distributed as follows:

(1) The first $4,000,000 available for distribution under this section, to the NASA Family Assistance Fund, for the purpose of providing need-based financial assistance to the families of NASA personnel who lose their lives as a result of injuries suffered in the performance of their official duties.

(2) Of amounts available for distribution after the payment under paragraph (1), ½ of the next $1,000,000 to each of the following:

(A) The Dr. Ronald E. McNair Educational (D.R.E.M.E.) Science Literacy Foundation for the purposes of improving and strengthening the process of teaching and learning science, math, and technology at all educational levels, elementary through college through the promotion of innovative educational programs.

(B) The Challenger Center for Space Science Education, for the purposes of creating positive learning experiences using space science as a theme that raise student expectations of success, fostering a long-term interest in mathematics, science, and technology, and motivating students to pursue careers in these fields.

(3) The remainder of the amounts available for distribution after the payments under paragraphs (1) and (2), to the Secretary of the Smithsonian Institution for the preservation, maintenance, and display of space artifacts at the National Air and Space Museum (including the Steven F. Udvar-Hazy Center).

(c) AUDITS.—The NASA Family Assistance Fund, the Dr. Ronald E. McNair Educational Science Literacy Foundation, the Challenger Center for Space Science Education, and the Secretary of the Smithsonian Institution shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code, with regard to the amounts received under subsection (b).

(d) LIMITATION.—Notwithstanding subsection (a), no surcharge may be included with respect to the issuance under this Act of any coin during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual 2 commemorative coin program issuance limitation under section 5112(m)(1) of title 31, United States Code (as in effect on the date of enactment of this Act). The Secretary may issue guidance to carry out this subsection.

SEC. 8. BRONZE DUPLICATES.

The Secretary may strike and sell bronze duplicates of the $50 gold coins authorized under this Act, at a price determined by the Secretary to be appropriate. Such duplicates shall not be considered to be United States coins and shall not be legal tender.

Mr. DODD. Mr. President, I note this is a coin bill that was authored by Senator NELSON of Florida commemorating the 50th anniversary of the establishment of NASA, a historic moment. I commend Senator NELSON for his efforts.

ORDERS FOR FRIDAY, JUNE 20, 2008

Mr. DODD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow, Friday, June 20; that following the prayer

and pledge, the Journal of proceedings be approved to date and the Senate resume consideration of the House message to accompany H.R. 3221, the housing legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DODD. As previously announced, there will be no votes tomorrow or Monday. Senators should be prepared to vote Tuesday morning.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. DODD. If there is no further business to come before the Senate, I ask unanimous consent that it stand in recess under the previous order.

There being no objection, the Senate, at 7:04 p.m., recessed until Friday, June 20, 2008, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

RICHARD G. OLSON, JR., OF NEW MEXICO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE UNITED ARAB EMIRATES.

DEPARTMENT OF LABOR

BRENT R. ORRELL, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE EMILY STOVER DEROCCO.

NATIONAL INSTITUTE FOR LITERACY

DIANE BARONE, OF NEVADA, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING JANUARY 30, 2011, VICE DONALD D. DESHLER, TERM EXPIRED.

MARY E. CURTIS, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING NOVEMBER 25, 2011, VICE CARMEL BORDERS, TERM EXPIRING.

DEPARTMENT OF JUSTICE

J. PATRICK ROWAN, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE KENNETH L. WAINSTEIN.

GREGORY G. GARRE, OF MARYLAND, TO BE SOLICITOR GENERAL OF THE UNITED STATES, VICE PAUL D. CLEMENT, RESIGNED.

THE JUDICIARY

MICHAEL O'NEILL, OF MARYLAND, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE GLADYS KESSLER, RETIRED.

JEFFREY ADAM ROSEN, OF VIRGINIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE THOMAS F. HOGAN, RETIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

FRANK J. HALE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

DOUGLAS K. DUNBAR

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

KENNETH L. BEALE, JR.
THOMAS H. BROUILLARD

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

LENARD M. KERR
MASAKI G. KUWANA, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

RALF C. BEILHARDT
ROBERT E. BESSEY
SCOTT W. BROWN
JERRY M. CARBONE
LISA A. FRANKLIN
WILLIAM J. GREENWOOD
HERMANN F. HINZE
CHRISTENSEN HSU
MEHTAB HUSAIN
THONDIQUE T. MCGHEE
RICHARD V. RITTER
JEAN C. SENECAL
JAMES M. SUTTON
JOHN T. THOMPSON
RICHARD L. WILLIAMS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

MICHAEL P. ABEL
MICHAEL C. ALBRECHT
CRAIG J. AMNOTT
MARIA E. ARCILA
HAYS L. ARNOLD
EDWARD H. BAILEY
HANS E. BAKKEN
LEE J. BARTON
ROBERT E. BENJAMIN
MICHAEL J. BENSON
GREGORY M. BERNSTEIN
RICHARD A. BICKEL, JR.
DANIELLE N. BIRD
ERIC M. BLUMAN
STEPHEN A. BRASSELL
LORANEE E. BRAUN
JOHN P. BRIDE, JR.
SCOTT E. BRIETZKE
RICHARD O. BURNEY
ARTHUR L. CAMPBELL III
JOHN R. CHANCE
CHARLES J. CHITWOOD
BRYAN L. CHRISTENSEN
DAVID W. COLE
MICHAEL A. COLE
GEORGE R. COLLINS
JOHN D. COMPLETO
CHRISTOPHER R. COTE
PETER J. CUENCA
PAUL J. CUNNINGHAM
GREGORY G. DAMMANN
COLIN Y. DANIELS
JASMINE T. DANIELS
KURT G. DAVIS
RUSSELL O. DAVIS
JEFFREY A. DEAN
SHAD H. DEERING
KENT J. DEZEE
CHARLES S. DIETRICH III
MICHAEL W. ELLIS
ANDREW FLETCHER
ANTHONY M. FOLEY
TODD FUNKHOUSER
PHILIP J. GENTLESK
JAMES J. GERACCI
LYNN M. GIARRIZZO
MELISSA L. GIVENS
RAYMOND G. GOOD
ERIC J. GOURLEY
JOSEPH D. GRAMLING
BRET A. GUIDRY
CHAD A. HALEY
FREDERICK B. HARRIS
DONALD L. HELMAN, JR.
JEFFREY V. HILL
SEAN A. HOLLONBECK
DEAN H. HOMMER
CHRISTOPHER L. HUTSON
DANIEL J. IRIZARRY
JOHNSON ISAAC
LINDA G. JACKSON
AARON L. JACOB
CHRISTOPHER G. JARVIS
JEREMY S. JOHNSON
ADAM B. KANIS
DWIGHT C. KELLICUT
MATTHEW J. KELLY
SEUNG W. KIM
KURT G. KINNEY
MARY M. KLOTE
JEFFREY K. KLOTZ
KURTIS L. KOWALSKI
GREGORY T. LANG
CHRISTOPHER L. LANGE
JENNIFER T. LANGE
GEORGE B. LANTZ
BRENT L. LECHNER
RONALD LEHMAN
ERIC N. LEONG
CHRISTINE F. LETTIERI
WILLIAM D. LEUSINK
ROMEO N. LIM
JOSEPH K. LLANOS
JAMES B. LUCAS II
PEDRO F. LUCERO
RICHARD S. LUCIDI
ROBERT F. MALSBY III
MARK W. MANOSO
JOHN G. MARKLEY
CHRISTOPHER R. MARTIN
GREGORY J. MARTIN
LARRY J. MCCORD
IAN K. MCLEOD
LEAH P. MCMANN
MICHAEL J. MINES
SEAN P. MONTGOMERY
JEFFREY S. MORGAN
STEPHEN M. MORRIS
JEANNIE M. MUIR
SEAN W. MULVANEY
NERIS M. NIEVESROBBINS
TIMOTHY C. NUNEZ
RONALD P. OBERFOELL
ROBERT J. OCONNELL
MICHAEL E. PARKER
TARAK H. PATEL
JEREMY G. PERKINS
DAVID N. PRESSMAN
AMIR M. RABII
THOMAS J. RICHARD
ACEVEDO F. ROBLES
INGER L. ROSNER
ROBERT K. RUSSELL
DAVID S. SACHAR
SCOTT A. SALMON
CHRISTOPHER K. SANBORN
DEAN A. SEEHUSEN
RENEE M. SIEGMANN
CASTANEDA A. SIEROCKA
JONATHAN K. SMITH
KAREN E. SMITH
RICHARD R. SMITH
HARLAN L. SOUTH
SCOTT R. STEELE
PHILIP S. SUH
ANTHONY SULLIVAN
KEITH D. SUMEY
ROBERT D. SWIFT
TIMOTHY S. TALBOT
BRIGILDA C. TENEZA
SEAN F. THOMAS
JOHN E. THORDSEN, JR.
LEROY J. TROMBETTA
JOSEPH C. TURBYVILLE
MARISOL VEGADERUCK
RODNEY A. VILLANUEVA
GEORGE E. VONHILSHEIMER
JEFFREY A. VOS
KIRK H. WAIBEL
BRUCE K. WEATHERS
KIMBERLY A. WENNER
KENNETH R. WEST
CHRISTOPHER E. WHITE
MYREON WILLIAMS
BRADLEY K. WOODS
JUSTIN T. WOODSON
JOHNNIE WRIGHT, JR.

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

DAVID R. BROWN
HERBERT L. GRIFFIN, JR.
BRIAN J. C. HALEY
DEAN L. HOELZ
DWIGHT A. HORN
GEORGE J. MENDES
VINSON W. MILLER
JEFFREY S. MILNE
DAVID D. SCHILLING
STEPHEN J. SHAW
STEVEN L. SOUDERS
WILLIAM D. STALLARD
LOFTEN C. THORNTON
ANDREW A. WADE
DARRELL J. WESLEY
TIMOTHY R. WHITE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

BRADLEY A. APPLEMAN
ARTHUR R. BLUM
JOSEPH A. BOVERI
ROBERT C. DETOLVE
TODD C. HUNTLEY
SCOTT G. JOHNSON
PETER R. KOEBLER
JAMES E. LANDIS
MARGARET A. LARREA
JAMES A. LINK
JAMES M. LUCCI
GATHA L. MANNS
RICHARD J. MCGUIRE
JONATHAN G. ODOM
ROBERT J. PASSERELLO
JON D. PEPPETTI
WARREN A. RECORD
PETER M. RODNITE
JOSEPH ROMERO
JENNIFER L. ROPER
TIMOTHY D. STONE
ANDREA E. TAPLIN
FLORENCIO J. YUZON

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

SUE A. ADAMSON
FARIA BELMARES
BRADLEY A. BRISCOE
MARNIE S. BUCHANAN
VIRGINIA L. BUTLER
PAUL M. CORNETT
JOHN N. CRANE
ROBERT D. FETHERSTON
KAREN R. FOLLIN
DENISE M. GECHAS
KELLY R. HAMON
PATRICIA C. HASEN
ROBERT J. HAWKINS
CONSTANCE E. HYMAS
EILEEN M. KNOBLE
LAURA J. LEDYARD
TAMARA K. MAEDER
CHRISTOPHER R. MANNION
DAVID S. MARKELL
DANIEL F. MCKENDRY
XANTHE R. MIEDEMA
RAMONA L. NIXON
DEBBIE OHARE
ANDREA C. PETROVANIE
KATRINA O. PRINGLE
LANA R. ROWELL
ESTHER C. VOSSLER
NANCY V. WILSONJACKSON
JULIE L. WORKING

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MARK R. BOONE
LARRY C. BURTON
LEWIS T. CARPENTER
DAVID F. CHACON
ALLISON A. CRAIN
JOSEPH N. DEHOOGH
LOUIS H. DELAGARZA
DON C. ELLZEY
JAY GEISTKEMPER
GEORGE M. GUISE
GEORGE P. HAIG
STEVEN P. HERNANDEZ
JEFF B. JORDEN
GRACE L. KEY
TARAS J. KONRAD
MARK A. LARUSSO
JAMES K. LE
DAVID A. LEAL
KEITH L. MAYBERRY
LAURA S. MCFARLAND
PATRICK E. MCGROARTY
MARTHA J. MICHAELSON
CARRIE M. MUEHLENPFORT
JOSE G. PEDROZA
SHARON A. RAGHUBAR
SANDRA H. RAY
KOICHI SAITO
DENNIS G. SAMPSON
BUFFY STORM
GARY J. WALKER
JOHN C. WILLIAMS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CHRISTOPHER G. ADAMS
JOHN R. ANDERSON
MATTHEW J. ANDERSON
RICHARD D. ANDERSON III
ROBERT J. BALLISTER, JR.
KEITH W. BARTON
JAMES B. BLANTON
DONALD R. BRUS
FRANK C. CERVASIO
SCOTT O. CLOYD
THERON C. COLBERT
ROMEO L. COLEMAN
ROLAND V. J. DEGUZMAN
WILLIAM S. FINLAYSON
CHRISTOPHER J. GALLAGHER
WENDY M. HALSEY
KEVIN K. JUNTUNEN
JEFFREY J. KILIAN
PETER J. MACULAN
MICHAEL L. OBERMILLER
SCOTT P. RAYMOND
MIKHAEL H. SER
WILLIAM A. SIEMER
LATANYA E. SIMMS
WILLIAM J. SIMPKINS
MICHAEL A. THORNTON
ROD W. TRIBBLE
MATTHEW P. TUCKER
VICTOR V. VELASCO
BRIAN L. WEINSTEIN
JIMMY WEST
NICOLAS D. I. YAMODIS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

ALAN L. ADAMS
BARRY D. ADAMS
ARTHUR C. ANTHONY
WILLIAM C. ASHBY
FELIX A. BIGBY
TRUPTI N. BRAHMBHATT
STEPHEN P. BROMBEREK
DEBORAH L. CARR
MICHAEL D. CASSADY
KENNETH E. CHRISTOPHER
ROSANNE Y. CONWAY
GREGORY W. COOK
MICHAEL F. CRIQUI
THOMAS P. DELUCIA
DOUGLAS W. FLETCHER
KEITH R. GIVENS
RUTH E. GOLDBERG
RICHARD A. GRAHAM
DAVID F. HOEL
WILLIAM D. HOLDER
DENISE N. HOLDRIDGE
MARY M. HUPP
KEVIN M. JACKSON
JOHN P. KENDRICK
MARK G. LIEB
ALLEN R. LUMANOG
MICHAEL G. LUTTE
DAVID M. MARTIN
RICHARD L. MCCARTHY
SCOTT A. MCKENZIE
CHAD A. MITCHELL
SARAH M. NEILL
KELLEY A. NEWMAN
CHRISTOPHER J. ODONNELL
JAMES E. PATREY
JOE T. PATTERSON III
ELENA M. PREZIOSO
DOUGLAS E. PUTTHOFF
CYRUS N. RAD
TIMOTHY R. RICHARDSON
SHAWN A. RICKLEFS
SHARON J. ROBERTS
JERRY N. SANDERS, JR.
CONNIE L. SCOTT
JASON E. SPENCER
JASON S. SPILLMAN
GEORGE STEFFIAN
RAYMOND D. STIFF
MARK A. SWEARNGIN
ERIC R. TIMMENS
SHANE A. VATH
EDWARD G. VONBERG
MARION J. WILLIAMS
GERARD J. WOELKERS
DEBRA L. YNIGUEZ
GEORGES E. YOUNES

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CRAIG L. ABRAHAM
KRISTIN ACQUAVELLA
BRIAN J. ANDERSON
RODNEY D. BLEVINS
GEORGE E. BRESNIHAN
CHAD E. BUERMELE
CHAD B. BURKE
JOHN A. CARDILLO
JAMES CHEATHAM
KEVIN E. CHESHURE
TODD R. CHIPMAN
WILLIAM H. CLARKE
GEORGE W. DANIEL
ANDREW R. DARNELL
SCOTT A. DAVIS
BRENT L. DESSING
KIRK B. DIAL
NATHAN C. DUFFY
BRADLEY E. EMERSON
JOSEPH C. ESPINO
JAMES G. FABBY
ELISABETH G. FARRELL
KENNETH A. FAULKNER, SR.
TERREL J. FISHER
JUSTIN K. FRANCIS
NATASHA A. GAMMON
JAMES R. S. GAYTON
TRAVIS N. GOODWIN
DOUGLAS W. HAROLD
PAUL A. HASLAM
MICHAEL E. HAVENS
JAMES G. HENDRICKSON, JR.
TRENT C. KALP
PATRICK E. KOEHLER
JADON LINCOLN
JOHN S. LUGO
JEFFERSON E. MCCOLLUM
SPENCER A. MOSELEY
SHAWN B. NORWOOD
COLIN J. OBRIEN
DARREL E. OLSOWSKI
RICHARD A. PAQUETTE
JAMEAU PRYOR
NICKOLAS L. RAPLEY
CHAD R. RIDDER
CHRISTOPHER M. RODRIGUES
JOSE L. SANCHEZ
THOMAS A. SCOTT
TERRENCE SIMMONS
EDWARD L. STEVENSON
PAMELA S. THEORGOOD
JAMES T. THOMAS
JAY S. TUCKER
JOSHUA L. TUCKER
ELNORA E. WINN
ROBERT R. WINTERS
CHRISTOPHER M. WISE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CALLIOPE E. ALLEN
HERNAN O. ALTAMAR
PAUL B. ALVORD
MICHAEL R. ANCONA
STEPHEN P. ARLES
RODNEY A. ARMAND
CHAD M. BAASEN
ROBERT V. BARTHEL
STEPHEN J. BELL
JASON H. BENNETT
LYNELLE M. BOAMAH
RODERICK C. BORGIE
BRIAN N. BOWES
DAVID A. BOYD
BRIAN M. BRAITHWAITE
DANIEL R. BREAZEALE
DOUGLAS E. BROWN
KEVIN J. BROWN
HAN Q. BUI
RACHEL A. BURKE
LUTHER I. CARTER
JAMES A. CAVINESS
RAMON F. CESTERO
JACKY P. CHENG
JAMES W. CHRISTOPHER
PERRIN C. CLARK
JOHN A. COOLEY
RICHARD G. COURTNEY
DAVID M. CRAWFORD
JOSEPH E. CUMMINGS
RUCHIRA S. D. DENSERT
ANDREA B. DONALTY
COLLEEN A. DORRANCE
FRANK M. DOSSANTOS
JAMES E. DUNCAN
MICHAEL E. EPPERLY
REGINALD S. EWING III
MAUREEN E. FARRELL
JEFFREY H. FEINBERG
MICHAEL E. FENTON
MARK E. FLEMING
DAVID P. GALLUS
KATERINA M. GALLUS
AMY R. GAVRIL
SANJIV J. GHOGALE
MICHAEL S. GIBSON
HERMANN F. GONZALEZ
SEAN E. GORETZKE
GREGORY H. GORMAN
FRANK T. GRASSI
DONALD J. GREEN
FRANCISCO J. GUTIERREZ
TIMOTHY W. HAEGEN
GREGORY J. HALL
MATTHEW P. HANNON
SUSAN D. HARVEY
DOUGLAS G. HAWK
DAVID W. HAYNES
DAVID Y. HEALY, JR.
TUAN N. HOANG
JAMES S. HOUSTON
JOHN P. HOWARD
ROBERT T. HOWARD
CHRISTOPHER M. HULTS
SCOTT L. ITZKOWITZ
TERENCE E. JOHNSON
MICHAEL KASELIS
MICHAEL P. KEITH
STEWART M. KERR
STEVEN M. KRISS
MICHAEL A. KUHN
ANAND R. KUMAR
EDWARD W. LAMBERT III
BRIAN D. LAWENDA
EDITH R. LEDERMAN
JAMES O. LESPERANCE
HENRY LIN
DAVID C. LOPRESTI
JEFFREY H. MCCLELLEN
EDWIN T. MCGROARTY
MARGUERITE MCGUIGANSHUSTER
JAMES M. MCKEE
ROBERT N. MCLAY
HUGH K. MCSWAIN IV
DANIEL C. MIELNICKI
EDWARD F. MILES
ERIC S. MITCHELL
GREGG J. MONTALTO
PRASHANTH S. NAVARAN
KESHAV R. NAYAK
GEORGE A. NEWTON
WILLIAM P. OMEARA
KENNETH J. ORTIZ
BRET N. PASIUK
SAYJAL J. PATEL
JONATHAN P. PEARL
GEOFFREY A. PECHINSKY
DENISE L. PEET
JOSEPH F. PENTA
MICHELLE M. PERELLO
ROBERT J. PETERSON
THEODORE C. PRATT
LESLIE H. RASSNER
JAMES J. REEVES
CAROLYN C. RICE
GEORGE M. RICE
MARK S. RIDDLE
DENNIS J. RIVET
CARLOS J. RODRIGUEZ
TIMOTHY B. ROONEY
DAVID C. ROSKA
JOHN R. ROTRUCK
JOHN P. H. RUE
SHAWN D. SAFFORD
TIMOTHY E. SAYLES

KATHERINE I. SCHEXNEIDER
ANDREW W. SCHIEMEL
DANIEL F. SEIDENSTICKER
RICHARD P. SERIANNI
ROBERT P. SHAFER
INGRID V. SHELDON
DANIEL L. SHERWOOD
DANNY T. SHIAU
JEANETTE F. SHIMKUS
DEVIN M. SHOQUIST
ROBERT SILK
PATRICK S. SIPE
JOHN H. SMITH, JR.
SUNG W. SONG
ERIC T. STEDJELARSEN
JAMES E. STEPENOSKY
JEFFERY A. STONE
ROBERT G. STRANGE, JR.
JOSEPH E. STRAUSS
CHRISTOPHER D. STREETER
KENNETH A. TERHAAR
KARIN E. THOMAS
KIMBERLY P. TOONE
MARK D. TRAVIS
ARVIN W. TRIPPENSEE
MICHAEL S. VALADE
ROBERT T. VANHOOK
LORI L. VANSCOY
RHONDA A. WALLACE
WILLIAM C. WALLACE
SAM O. WANKO
SONYA N. WATERS
DAVID E. WEBSTER
MICHAEL W. WENTWORTH
JAMES C. WEST
TIMOTHY J. WHITMAN
DAVID R. WHITTAKER
RONALD M. WILLIAMS
CRAIG M. WOMELDORPH
JOHN D. YORK
PATRICK E. YOUNG

EXTENSIONS OF REMARKS

INTRODUCTION OF THE GOLDEN GATE NATIONAL PARKS AND TECHNICAL CORRECTIONS BILL

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. PELOSI. Madam Speaker, I am proud to introduce today the Golden Gate National Parks and Technical Corrections bill. Our National Parks are some of America's greatest treasures, and they have been designated that way to ensure they are preserved for our future generations. In California, we are very proud of our Golden Gate National Recreation Area, with parks spanning across San Mateo, San Francisco and Marin Counties. They are a national treasure deserving of the highest National Park Service designation which this legislation will ensure. The Golden Gate National Parks offer a unique historical perspective on the story of California and the Nation, and unparalleled natural beauty in an unlikely setting close to a major metropolitan area.

One hundred years ago, President Theodore Roosevelt declared Muir Woods the Nation's tenth National Monument to honor the conservationist John Muir and preserve a beautiful natural space. Today, I would like to recognize the establishment of the Golden Gate National Parks, which will contain the Muir Woods National Monument, as the 59th National Park. In honor of renowned environmentalist Edgar Waybum, and my friend and predecessor in Congress, the late Congressman Phillip Burton, who dedicated their careers and lives to preserving these remarkable natural and historical spaces for our and future generations to enjoy, I dedicate this bill.

The Golden Gate National Parks offer residents of and visitors to the San Francisco Bay Area the opportunity to escape from the city and connect with nature and our Nation's history. The Golden Gate National Parks are home to sites utilized by the Coastal Miwok and Ohlone people, the Spanish missionaries and military, Mexican settlers, Gold Rush prospectors, and Civil War military units. There remain many historic sites preserved within the Parks, including the Cliff House Restaurant and the Sutro Baths in San Francisco, as well as decommissioned army bases and fortifications dating back to 1776 and used by our Nation from the Civil War to the Cold War. This bill will strengthen the ability of the San Francisco Maritime National Historical Park and the Presidio, two of the Golden Gate National Parks, most historic areas, to preserve historic spaces and provide world-class services to visitors from throughout the world.

The Golden Gate National Parks also offer visitors access to an amazingly diverse natural area. Encompassing almost 60 miles of bay and ocean shoreline, the Golden Gate National Parks contain windswept beaches, saltwater marshes, stunning cliffs, and the world's only coastal old-growth redwood forest. The Parks contain expansive forests and costal lands, such as Sweeney Ridge in San Mateo County and Muir Woods in Marin. There is also an abundance of plant and animal life in the Parks with over 1,200 identified plant and animal species, including 33 threatened and endangered species.

In the years since the establishment of the Golden Gate National Recreation Area almost 40 years ago, the park units have collectively been referred to as Golden Gate National Parks. As natural and historic sites have been added to this park system the need has grown to recognize the system of parks for what they are, which is one of our Nation's great natural treasures. This bill recognizes the importance of Golden Gate National Parks to the history and future of our Nation and rewards it with a designation befitting its place among the most spectacular National Parks in our Nation.

250TH ANNIVERSARY OF THE TOWN OF LEESBURG

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. WOLF. Madam Speaker, I rise today to recognize the 250th anniversary of the establishment of the historic Town of Leesburg in the 10th Congressional District of Virginia.

Leesburg was established in September 1758 by an act of the Virginia House of Burgesses who appointed Nicolas Minor to design the initial layout of the town. The Town of Leesburg quickly grew from a quiet town of sleepy streets to a bustling epicenter in the early 18th century. Settlers flocked to the town for its strong sense of community and numerous market-to-town opportunities. The agriculture and transportation industries grew as Leesburg became the center of commerce in Loudoun County and other regions of northern Virginia.

Leesburg was the temporary capital of the United States during the War of 1812 and also served as a battleground during the American Civil War in the Battle of Balls Bluff. Leesburg has been home to many prominent Americans including President James Monroe, noted African-American attorney Charles Houston, General George C. Marshall and entertainer Arthur Godfrey.

In 1970, Leesburg received a place in the National Register of Historic Places and was cited as one of the best and most picturesque downtowns in Virginia. Today, Leesburg maintains its status as the center of the crossroads of northern Virginia and is the largest town in northern Virginia. I encourage my colleagues to join me in celebrating this historic event by driving 40 miles northwest from the Capitol to visit historic Leesburg and partake in some of the town's year-long festivities in honor of the anniversary. The town is holding a flag-design contest in honor of this historic event, to design an official flag for the town. On September 14, 2008, the town will celebrate her 250th birthday and I invite all to attend to commemorate history and enjoy the distinctly Americana spirit of the day's activities.

I have been proud to serve the people of Leesburg since the start of my terms in the House and I share in the town's celebration of this significant anniversary.

TRANS-ATLANTIC LEGISLATORS DIALOGUE—64TH MEETING OF DELEGATIONS OF THE U.S. CONGRESS AND THE EUROPEAN PARLIAMENT MEET UNDER LEADERSHIP OF THE HON. SHELLEY BERKLEY

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BERMAN. Madam Speaker, I would like to call the attention of my colleagues in the Congress to another successful meeting of the Transatlantic Legislators' Dialogue (TLD) that was held in Ljubljana, Slovenia, from May 24–26, 2008. The United States delegation continues to flourish under the outstanding leadership of Chairwoman SHELLEY BERKLEY, the gentlelady from Nevada. She has injected energy and enthusiasm into this interparliamentary dialogue, while further strengthening American relationships with a wide range of European parliamentarians. The Republican vice-chairman, Representative CLIFF STEARNS from Florida, has also maintained an effective voice in European affairs and the TLD.

Representatives BERKLEY and STEARNS should be praised for their efforts to recruit members to participate in the Slovenia session, with the delegation of 10 members being the largest and by all reports most well informed in recent years. I commend the members of this bipartisan delegation—Rep. GARY ACKERMAN (D–NY), Rep. JOE BARTON (R–TX), Rep. RUSS CARNAHAN (D–MO), Rep. ELIOT ENGEL (D–NY), Rep SHEILA JACKSON-LEE (D–TX), Rep. PHIL GINGREY (R–GA), Rep. STEVE ISRAEL (D–NY), and Rep. LORETTA SANCHEZ (D–CA)—for contributing to a rich and meaningful exchange of views.

The TLD serves as the formal response of the European Parliament and the U.S. Congress to the commitment in the New Transatlantic Agenda (NTA) of 1995 to enhance legislative ties between the European Union and the United States. Building on the existing interparliamentary relationship, the TLD involves bi-annual meetings between American and European legislators in order to discuss topics of mutual interest and foster transatlantic discourse.

The most recent session in Slovenia addressed a wide range of foreign policy challenges, including the Middle East, China, Russia, and Kosovo. Members discussed regulatory initiatives being undertaken by the Transatlantic Economic Council (TEC), with American members reinforcing Administration

concerns about European initiatives on poultry and chemicals used to manufacture cosmetics that have a detrimental effect on American farmers and producers. American members also responded to European concerns about the visa waiver program and legislation requiring 100% cargo scanning to ensure port security. In addition, the delegates discussed the challenge of climate change, the importance of energy security, and the current global financial crisis.

Madam Speaker, I would like to place in the RECORD the joint statement that was agreed upon by American and European legislators at the 64th TLD meeting in Ljubljana. It underscores the rich agenda of this meeting and highlights the many areas in which there was strong transatlantic agreement.

TRANSATLANTIC LEGISLATOR'S DIALOGUE—64TH MEETING OF DELEGATIONS FROM THE EUROPEAN PARLIAMENT AND THE UNITED STATES, LJUBLJANA, 24–26 MAY 2008 JOINT STATEMENT

We, Members of the European Parliament and the United States House of Representatives, held our 64th Interparliamentary meeting (Transatlantic Legislators' Dialogue) in Ljubljana, Slovenia, on 24–26 May 2008.

Building on the joint statement issued following our last meeting in Las Vegas, Nevada, on 5–8 October 2007, we stressed the importance of regular dialogue on a range of political, social and economic issues that affect all of our citizens. We agreed to report back to our parent bodies on the content and outcome of our discussions, particularly in the areas where joint efforts are likely to result in positive outcomes. We agreed that legislators in both sides of the Atlantic should increase dialogue and consultation amongst themselves in order to prevent possible conflicts of legislation. Direct and timely contacts between specialist committees from Congress and the European Parliament—such as those that have occurred within the TLD framework—have been valuable means of reinforcing cooperation; this exchange of information should be continued and enhanced.

We examined a wide array of foreign policy issues, agreeing that joint action by the European Union and the United States is the most effective way to approach problems that affect both sides of the Atlantic. We took stock of recent developments with regard to the Middle East Peace process, the nuclear threat posed by Iran and the situation in Iraq. On Afghanistan, we recognized the need for a joint long-term strategy aimed at stabilizing the internal situation and reducing risks for regional security. We noted a proposal to develop a joint fund for humanitarian services and infrastructure development in Afghanistan. We discussed the future political an economical development in Kosovo, and recognized that joint efforts were essential in order to ensure a peaceful and prosperous future for the Western Balkans, including an EU perspective. We analyzed development in Russia's domestic and foreign policies, including the U.S. Administration's proposed missile defense plans as well as European efforts to diversify their energy supply and ensure their energy security. We also assessed our economic and political relationship with China, expressing concern over recent events in Tibet.

The dialogue focused on the ongoing discussions between the U.S. and the EU in order to extend access to the U.S. Visa Waiver programme in the future to all EU Member States, as well as to the importance of ensuring safe trade an port security.

We also discussed the current global financial crisis. We agreed on the need for continued discussion and joint actions to address the effects of climate change.

With regard to the Transatlantic Economic Council (TEC), we noted with satisfaction the engagement of the TLD on 13 May 2008 with TEC Co-Chairs Gunther Verheugen and Dan Price in the framework of the 'Advisory group'. The European Parliament Resolution on the TEC and the letter by the U.S. TLD leadership to the TEC formed the basis for this dialogue. We took note of the EU–U.S. High Level Regulatory Forum, the joint reports on strengthening cooperation regarding the safety of imported products, and the impact assessment guidelines. We advocated stronger involvement of legislators in contributing to and overseeing these initiatives. We supported the identification of compatible biofuels standards in order to achieve international harmonization at the level of international standards organizations. We also welcomed the joint statement on open investment, as well as the start of the second phase of negotiations for the air services agreement.

We welcome the fact that the TEC has become a permanent feature of the EU/U.S. relations. We also welcome the decision taken on 13 May 2008 to develop a short term agenda and long term roadmap for TEC activities, and consider that this represents and important step towards ensuring the continuity of the process. As we have done throughout the establishment and initial meetings of the TEC, we continue to assert that the TEC initiative should be characterized by transparency and consultation of stakeholders and we call on the EU and U.S. Administration to reinforce the flow of information to the TLD in advance of the TEC meetings. Awareness of the transatlantic impact of proposed legislation and regulations should be developed in the relevant legislative and regulatory bodies, as well as information about the benefits of rapid advancements towards a barrier-free regulatory environment.

Several items have been identified within the TEC agenda that require further legislative consideration: While achieving reciprocity and mutual recognition of security standards remains critically important, we call on the U.S. Congress to review their legislation requiring 100 percent cargo scanning in recognition of European concerns regarding this legislation We call on the European Parliament to facilitate an early solution to the ongoing discussions on the ban on imports into the EU of U.S. poultry which has undergone pathogen reduction treatment In regards to the EU's regulation on the registration of chemicals (REACH) we call on the European Commission to bring forward legislation ensuring that European and U.S. producers of cosmetics are treated equitably in their requirement to register substances used in their products with the EU's chemical agency.

Finally, we welcome progress on items contained in the 'lighthouse projects' and related initiatives included in the 2007 Summit declaration. In particular, we call for: Steps towards allowing the use in the United States of suppliers' declarations of conformity for electrical, electronic and ICT products; Further progress towards the mutual recognition of U.S. GAAP and EU IFRS accounting standards; Discussion of U.S. and EU regulatory issues in the insurance sector, in order to enhance market access for brokers-dealers, exchanges and other trading systems; and Progress in other areas of regulatory cooperation, including pharmaceuticals, cosmetics, and animal testing.

In conclusion, both sides renewed their commitment to make the TLD's work more relevant to the European Parliament and to the United States House of Representatives. We agreed to identify ways by which to reinforce the involvement of the TLD and our legislatures in the preparation of the EU/U.S. Summit. We also agreed to further improve the effectiveness of our dialogue in order to realize the full potential of our interparliamentary relationship.

JONATHAN EVANS, MEP,
Chairman, European Parliament Delegation.

BENOIT HAMON, MEP,
Vice Chairman, European Parliament Delegation.

HON. SHELLEY BERKLEY,
Chairwoman, U.S. Congress Delegation.

HON. CLIFF STEARNS,
Vice Chairman (Ranking Republican), U.S. Congress Delegation.

HON. GARY ACKERMAN,
Vice Chairman, U.S. Congress Delegation.

HONORING JACK DOWNEY, UNITED STATES COAST GUARD MASTER CHIEF BOATSWAIN'S MATE

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. DELAHUNT. Madam Speaker, I rise today so that my colleagues in the House of Representatives can join me in honoring the exemplary career of a distinguished member of the United States Coast Guard, and a good friend of mine—Master Chief Boatswain's Mate John E. "Jack" Downey, Ancient Keeper.

Jack Downey has led an exemplary career, having served in the United States Coast Guard for over 40 years. His familiarity with the treacherous local waters around Cape Cod is legendary. He has brought that knowledge to a wide variety of operational, command, and staff assignments over the years, including five Officer-In-Charge multi-mission ashore assignments, two Officer-In-Charge afloat assignments, and a position as a rescue boat crewman for water take-offs and landings.

In 1984, he served as Officer-In-Charge at Station Woods Hole. After a stint in command of Coast Guard Cutter *Towline*, a 65-foot harbor tug/icebreaker, Jack returned to the Cape to take control of Coast Guard Station Chatham, which is located on the elbow of Cape Cod. In Chatham, as my friend and colleague Mr. OBERSTAR already noted, upon taking command, Jack faced a fishing community that had lost faith in the Coast Guard. In a very short period of time, Jack made the Chatham station one of the finest in the Coast Guard and quickly won the respect of the entire Cape Cod fishing community. Downey would also serve as Officer-In-Charge of Station Brant Point in Nantucket and would eventually return to Woods Hole in 2005 to take command of Coast Guard Cutter *Hammerhead*.

It is without question that Jack has served honorably in all of his assignments and has been given numerous awards. Most notably, Jack became the first recipient of the Joshua James Keeper Award—the "Ancient Keeper", which is given to Coast Guard members in recognition of their longevity of service and their outstanding performance in boat forces

operations. Joshua James, referred to as the world's most celebrated lifesaver, rescued over 600 people during his 60 years of service in the 1800s. Jack embodies the traits of Joshua James—traits that all Coast Guardsmen aspire to.

Additionally, the Coast Guard presented to Jack the Meritorious Service Medal with a gold star and operational distinguishing device, the Coast Guard Commendation Medal with three gold stars and operational distinguishing device, and the Letter of Commendation with operational distinguishing device. Jack was also awarded the prestigious Navy League Douglas A. Munro Award for his inspirational leadership and professional competence.

A friend of mine, Retired Rear Admiral Jack Linnon, once called Jack Downey an Officer-in-Charge that he would entrust his own child to; a fact that is especially touching considering the dangers of the profession. "Youngsters turned over to his charge," Linnon said, "when transferred, had grown both in their professional development but also in maturity." Jack's greatest legacy may not be his personal heroics, but the wisdom, guidance and experience he has shared with innumerable Coast Guardsmen, from cadets to commanders.

Since 2006, Jack has served as the District One Command Master Chief at the First District Headquarters in Boston. By leaving this position, the Coast Guard loses one of its finest, most talented men. He has earned the respect and admiration from us and from people throughout New England. On behalf of a very grateful constituency, I want to say thank you to Jack and congratulations on a job well done.

TRIBUTE TO KEITH LAFFMAN

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. RUPPERSBERGER. Madam Speaker, I rise before you today to honor Keith Laffman on his eight years of dedicated service to the Office of the Attending Physician (OAP). Prior to his position at the OAP, Keith served as a physical therapist in the United States Navy, training at Fort Sam Houston in Texas, and then stationed at the Bethesda Navy Medical Center.

Working as a Physical Therapy Technician in the OAP since November of 2000, Keith has consistently maintained close working relationships with the patients he serves. His dedication to his work and patients, along with his ability to organize and manage, made him a competent and effective office manager during much of his tenure at the OAP.

Keith is an integral part of the team in the Attending Physician's office. As a person who has broken many bones and suffered multiple injuries, I can attest to the fact that Keith is one of the most professional, caring, and healing physical therapists I have ever worked with during my time as a patient. In addition to providing basic care to a wide variety of patients, the Office of Attending Physician provides a broad spectrum of services, including emergency evaluations, flu vaccinations, physician referrals, and occupational exams and certifications. Eight separate health units in Congressional and other federal buildings ensure that the OAP is able to provide convenient and quality health care around the Hill.

Madam Speaker, I ask that you join with me today to honor Keith Laffman for his committed service to his patients, from visitors and staff to high ranking government officials. It is with great pride that I congratulate Keith for his work at the Office of Attending Physician and his continued exemplary service to our Nation.

HONORING FLORESTA ELEMENTARY SCHOOL

HON. TIM MAHONEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MAHONEY of Florida. Madam Speaker, I rise today to honor Floresta Elementary School of Port St. Lucie, Florida. The National Energy Education Development (NEED) Project Youth Award has selected Floresta Elementary as Florida's Rookie Elementary School of the Year. Floresta was also selected as a Finalist for Rookie of the Year Elementary School at the National Level for 2008.

Floresta Elementary's school-wide project, "Floresta Dolphins NEED Energy," gave students from kindergarten through the fifth grade the opportunity to learn about renewable and non-renewable energy resources. Students in the fifth grade specifically focused on wind energy and worked to increase community awareness regarding Florida Power and Light's wind turbine project on the local coastline. The entire school also took part in Energy Star's Change a Light, Change the World campaign that encourages citizens to conserve energy by switching to more energy efficient light bulbs.

I am proud that the teachers, staff, and students of Floresta Elementary School are working to educate themselves and their community on what we can do to meet our country's critical energy needs.

I urge my colleagues to join me in congratulating Floresta Elementary School.

THE DAILY 45: IT'S THE NATION'S PROBLEM

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. RUSH. Madam Speaker, the Department of Justice tells us that, everyday, 45 people, on average, are fatally shot in the United States. The reflections I continue to share happen in communities big and small, everyday, all across our nation. Like Chicago, the city of Los Angeles is having its own unprecedented wave of deadly gun violence.

Earlier this month, during the weekend of June 7 and 8, the Los Angeles Times reported that 14 people lost their lives to violence with most of those dying at the hands of a gun. That's 14 people who lost their lives in one weekend in only 48 hours! Why no national outrage over this senseless violence? Even though the headlines read that many of these deaths "appear to be gang-related," those who died—regardless of their age, their economic status or their race—are children of God. They had lives that mattered to somebody. They certainly mattered to me.

Americans of conscious must come together to stop the senseless death of "The Daily 45." When will we say 'enough is enough, stop the killing!'

THE TWENTY-FIRST CENTURY COMMUNICATIONS AND VIDEO ACCESSIBILITY ACT OF 2008

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mrs. WILSON of New Mexico. Madam Speaker, the advancement of technology over the last 20 years has revolutionized daily life for Americans. Most of us use some form of technology every day. Cell phones, computers, iPods, webcasts, and televisions are everywhere.

User-friendly technology is also important for people with disabilities. Televisions, computers, and cellular devices are available to the public at-large, but, unlike the "plain old telephone" there are no requirements to ensure that every American is able to use them. Technology can enable the disabled with things like specialized hardware that simulates the human voice reading the computer screen. Assistive or adaptive technology has taken down many barriers to education and employment for disabled Americans. The technology is there, and now we need to encourage its national availability.

Alice Marshall is a mother of two from Albuquerque, New Mexico. She works for the Bureau of Land Management and when she was watching the news a few weeks ago, northern areas of New Mexico were receiving warnings of possible tornados in the area. She was not aware of this news because it was scrolling across the emergency ticker at the bottom of the screen and Alice is blind. The only audio descriptor technology available to her has to be ordered by mail and costs about $100.

Another constituent, Priscilla Stansbury, a grandmother caring for her 3 grandchildren, is not able to get information easily about snow days and school cancellation. She is blind and tells me that school cancellation and amber alert information generally runs along the bottom of her TV screen with no audio that she can hear.

The Twenty-first Century Communications and Video Accessibility Act of 2008 would require that IP-enabled communication equipment manufactured in the United States have a built-in speaker and a closed captioning decoder. The speaker and decoder would allow Americans with visual and hearing impairments to access the Internet, computers, and cellular devices. Furthermore, it would ensure that IP enabled equipment is manufactured to be accessible to and usable by individuals with disabilities.

Most Americans get emergency information over the radio, the television or the Internet. Warnings about tornados, such as the one we received on Capitol Hill the other week, should be accessible to all Americans. This bill would require audio and visual accessibility for those who are deaf and blind.

According to the Foundation for the Blind there are approximately 10 million blind people in the United States. The National Association of the Deaf report an estimated 22 million Americans who are deaf or hard of hearing, and there are a variety of other disabilities that affect the accessibility to audio-visual devices.

Today I joined Congressman ED MARKEY in introducing this legislation to ensure that American citizens with disabilities have full access to the information that the rest of us take for granted.

RECOGNIZING SAM KELTNER OF VIRGINIA BEACH

HON. THELMA D. DRAKE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mrs. DRAKE. Madam Speaker, I rise to recognize the outstanding achievements of Sam Keltner of Virginia Beach, and to commend him on becoming a Congressional Award Gold Medalist. This recognition by the United States Congress is the highest honor bestowed upon America's youth. It serves as a testament to Sam's strength of character and commitment to our national values of dedication to public service and the cherished qualities of personal growth, initiative, and achievement, all of which are cornerstones of the Congressional Award.

Sam's volunteer efforts are tremendous, speaking very highly of him and his level of commitment to the community and to public service. In earning the rank of Eagle Scout, Sam worked on behalf of Real Life Christian Church to help others, providing moveable storage crates for the church and fellowship. In addition, he continues to be active within the Boy Scouts of America, BSA, Tidewater Council, serving as Junior Assistant Scoutmaster and Senior Patrol Leader, completing the Venturing Scout program, receiving the BSA Tidewater Council Venturing Leadership Award, and participating in the Physical Fitness QUEST program.

Sam has devoted time and energy to excellence in physical fitness, improving his speed in running and playing a diversity of sports. His incredible effort enabled him to reach a time of a little over 14 minutes for a 5k run. By maintaining his own physical fitness, Sam continues to push himself to achieve more, and engage in new opportunities for advanced leadership experience including the 2006 COPE Program, his membership with U.S. Track and Field, and his involvement with the First Colonial High School Varsity Cross Country Track Team.

Sam has become a role model not only for his peers, but for the large community around him. Upon receiving the Congressional Medal, he joins a most elite group of our Nation's youth who have set and achieved this very commendable goal. I am certain Sam's incredible accomplishments, dedication to service, and evident leadership talents will continue to speak highly of him, as they do now.

REVISING SHORT TITLE OF THE FANNIE LOU HAMER, ROSA PARKS, AND CORETTA SCOTT KING VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

SPEECH OF

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 2008

Mr. EDWARDS of Texas. Madam Speaker, it is a privilege to rise today in support of S. 188. In passing this bill, we will honor true pioneers in the struggle for civil rights by adding the names of Cesar Chavez, Barbara Jordan, William Velasquez, and Dr. Hector Garcia to the 1965 Voting Rights Act.

Today, we honor their instrumental role in the struggle for civil rights, and celebrate the historic contributions and enduring legacy of these great Americans.

Dr. Hector P. Garcia was a Mexican immigrant who came to Texas fleeing the violence of the Mexican Revolution in 1917, and through hard work and tenacity became a doctor, soldier, and true American hero. After being wounded in battle and fighting for VA benefits, he founded the American G.I. forum to help Mexican Americans claim the VA benefits they had earned. After World War II, the American G.I. Forum became the leading voice for Mexican American veterans. As a resident of my hometown Corpus Christi, Dr. Garcia was an inspiration to me because he stood tall for veterans to see that they received the benefits they have earned through service to country.

It is my hope that Hispanic Americans, who have time and again served our Nation in combat with distinction, will take special pride in knowing that Dr. Hector P. Garcia will forever stand as a symbol of all Hispanics who have so patriotically served America in uniform.

Dr. Garcia first became a national figure when he successfully fought for the burial rights of Private Felix Longoria, killed in the line of duty during World War II. After Private Longoria's widow's request to have him buried in their hometown cemetery in Three Rivers Texas was denied, Dr. Garcia and the American G.I. Forum took his case to Senator Lyndon Johnson, who pushed to have Private Longoria buried at Arlington National Cemetery.

Thanks to the dedicated efforts of Dr. Garcia, Private Longoria became the first Mexican American to be honored with a burial at Arlington.

Dr. Garcia's groundbreaking work to advance the cause of Hispanic civil rights continued for decades and he became a trusted adviser to American presidents. His successful efforts to break down barriers and desegregate American society, improve working conditions, increase access to health care and educational opportunities for Hispanic Americans became legendary and deserve our utmost respect.

Dr. Garcia's many accomplishments and honors include:

The Presidential Medal of Freedom in 1984.

Appointment as alternate U.S. Ambassador to the United Nations.

The U.S. Army's Bronze Star and six battle stars for his service in World War II.

The American G.I. Forum's Medalla al Merlto in 1952, for his work with Mexican American veterans.

The Distinguished Service Award from the National Office of Civil Rights, 1980.

The National Hispanic Leadership Conference's Hispanic Heritage Award, 1989.

The Equestrian Order of Pope Gregory the Great from Pope John Paul II, 1990.

On a personal note, I had the privilege of growing up in Corpus Christi, Texas just four houses down the street from Dr. Garcia and his family. His life's commitment to the cause of civil rights was an inspiration to me in my youth and played an important role in my entering public service. It was an honor to call him my friend and mentor.

Madam Speaker, with deep respect for the life and extraordinary accomplishments of Dr. Hector P. Garcia, I urge my colleagues to support S. 188.

HONORING DAN MEYER FOR WINNING THE CABLE'S LEADERS IN LEARNING AWARD

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. ESHOO. Madam Speaker, it's with great honor that I congratulate my constituent, Dan Meyer, a teacher with the San Lorenzo Valley Unified School District who has been selected to receive the Cable's Leaders in Learning Award for creating and implementing innovative ways to educate students. He is one of 14 national winners selected from a pool of 44 finalist applications.

As the sole winner in the "Pushing the Envelope with Cable Technology and Programming" category, he is being recognized for improving algebra instruction by creating and posting a video lesson for teachers online. Mr. Meyer found a way to improve algebra instruction and share it with math teachers worldwide. After spending three weeks helping students to understand a single algebra equation, he came to the conclusion that using video as a teaching tool was the answer. He produced 10 short videos to accompany his lesson plan, and was shocked at the pace his students learned the once confusing algebraic equations after viewing the videos.

Mr. Meyer decided to post the video and lesson plan on his blog and its viewings jumped from 30 visitors a day to 6,000 downloads in two weeks. His teaching technique has now been shared with teachers all over the country and our Nation's students are better for his efforts.

Our Nation depends on teachers like Dan Meyer who use technology and innovation to help students learn and grow. I ask my colleagues to join me in congratulating Dan Meyer for his extraordinary leadership and distinguishing himself as a Cable's Leaders in Learning Award recipient.

STATEMENT CONGRATULATING FLORIDA INTERNATIONAL UNIVERSITY AND FLORIDA ATLANTIC UNIVERSITY ON BEING RANKED AMONG THE TOP 100 COLLEGES AWARDING DEGREES TO HISPANICS

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. HASTINGS of Florida. Madam Speaker, I rise today to congratulate two exemplary South Florida institutions of higher learning: Florida International University (FIU) and Florida Atlantic University (FAU). These universities were recently ranked by Hispanic Outlook Magazine as 1st and 28th, respectively, among the top 100 colleges awarding degrees to Hispanics in the United States.

Both institutions have built a rich tradition of ensuring an exceptional educational experience to quality students of all backgrounds. FAU and FIU are dedicated to imparting knowledge through excellent teaching, groundbreaking research, and a commitment to public service.

In today's global society, it is imperative that we recognize the importance of scholastic achievement without forgetting how vital it is that the learning experience extend beyond the classroom. FIU and FAU are committed to ensuring that their students are well-rounded, socially conscious, and constantly exposed to various cultural and socioeconomic backgrounds. The graduates of these universities serve as trailblazers in Florida's continuous endeavor to provide educational opportunities that will improve the social and economic disparities that Florida's minority communities face.

As one example, FIU will open South Florida's only public medical school in August 2009. The new school will serve as the cornerstone of a broader, university-wide Health Science Center. Through this effort, the University aims to expand healthcare access to traditionally underserved populations and to train physicians who are sensitive to South Florida's unique cultural diversity.

FAU is also impacting the South Florida community by encouraging economic development in urban core areas through its Sustainable Community Planning curriculum. This curriculum prepares students who aspire to become practicing planners, public administrators, civic leaders, and neighborhood activists. Programs are geared towards community revitalization which will ultimately affect how neighboring cities cope with increasing challenges associated with growth and change.

I commend FAU and FIU for serving as role models to colleges and universities throughout our Nation. They are exemplary examples of two schools which continue to uphold a commitment to cultural diversity, public service, and academic excellence. Their effectiveness is truly demonstrated through every student who earns a degree, every researcher who makes a discovery, and every community that benefits from the efforts and accomplishments of these two noteworthy institutions. I am proud to congratulate FAU and FIU for this noteworthy achievement and the indelible impact they have had on both our local and national landscapes.

TRIBUTE TO SHERIFF STAN W. BURCHARDT

HON. TIMOTHY WALBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. WALBERG. Madam Speaker, I rise today to recognize Sheriff Stan W. Burchardt of the Hillsdale County Sheriff's Office for interrupting a breaking and entering incident in Pittsford, Michigan and arresting the suspect. It is with great pride that I congratulate Sheriff Burchardt on behalf of all of those who have benefited from his dedicated service to Hillsdale County and his proven ability to protect its citizens.

On May 23, 2008 at approximately 1:15 A.M., Sheriff Stan Burchardt was awoken by a noise outside his residence in Pittsford. Upon hearing the noise, the Sheriff exited his home and positioned himself outside in the dark for approximately five minutes. Sheriff Burchardt soon observed a subject running from his next door neighbor's house, heading toward Pittsford Tire & Gas Company. The suspect, wearing a ski mask and camouflage clothing, ran to the main entrance of the building and broke in through the front door.

Sheriff Burchardt immediately ran from his residence to the front door of the business. He witnessed the subject walk behind the counter and place items into a backpack. After identifying himself, Sheriff Burchardt proceeded to arrest the suspect. He held the suspect at bay and called a patrol unit using a telephone at the business. Deputies from Hillsdale County Sheriffs Office arrived on the scene and transported the suspect to the Hillsdale County jail where he was booked for breaking and entering.

Sheriff Stan Burchardt has honorably served as Hillsdale County Sheriff for over 12 years and has a total of 29 years of law enforcement experience. While serving in this position, Sheriff Burchardt has significantly advanced the force by increasing training for staff members, establishing minimum physical agility standards for staff to meet, and graduating 23 student cadets representing many schools within Hillsdale County. Continually engaged in the community, the Sheriff has sponsored many successful outreach programs to train in areas such as school safety, senior citizen protection, and methamphetamine awareness. Sheriff Burchardt is highly respected throughout the community for his proven law enforcement leadership and reputation for honor and integrity.

Madam, Speaker, today I ask my colleagues to join me in honoring Sheriff Stan W. Burchardt of the Hillsdale County Sheriff's Office for his brave actions and esteemed leadership. The Sheriff's arrest of the suspect will undoubtedly make criminals think twice, lower breaking and entering incidents in the area and ease the minds of many throughout the community. May others know of my high regard for his outstanding performance and honorable service to Hillsdale County, as well as my best wishes for Sheriff Stan Burchardt in the future.

IN HONOR OF MR. KING GEORGE PITTMAN, U.S. ARMY, RETIRED

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MURTHA. Madam Speaker, Mr. SKELTON and I rise to honor the life of King George Pittman, who, at the age of 87, passed away on Tuesday, June 10, 2008. A man who was extremely proud of his heritage and the military, King George Pittman lived a full and eventful life.

A native of Florida, Mr. Pittman was the fourth youngest of twelve children born in Tallahassee to Williams Pittman and Carrie Tansy Pittman. There he attended Lincoln High School and was a member of Philadelphia Primitive Baptist Church. At the age of 21, he joined the U.S. Army.

Mr. Pittman served in the U.S. Army from May 22, 1941 to December 14, 1956. He fought in World War II and the Korean War. He earned eight different awards for his service. He received the Good Conduct Medal Bronze Clasp with Three Loops for his loyalty, knowledge, vigilance and merit. He received the Purple Heart for his bravery. In addition to these, he received the World War II Victory Medal, the Korean Service Medal with one Bronze Service Star, the United Nations Service Medal, the National Defense Service Medal, the Republic of Korea Presidential Unit Citation badge and the Honorable Service Lapel Button World War II. Although he received all of these awards, his family never knew of his many accomplishments. He served his country with distinction, and was modest to say the least.

A brother, uncle, great uncle, friend and neighbor, Mr. Pittman was a proud man who leaves behind his sister, and our former colleague, retired U.S. Representative Carrie P. Meek, a constant source of his pride.

He also leaves a nephew, and our current colleague, Congressman KENDRICK B. MEEK of Florida, who proudly serves on the House Armed Services Committee, an assignment that surely put a smile on King's face. King found pride in all of his family, including nephews Samuel Pittman and Charles Bellamy, nieces, Lucia Raiford, Sheila Kinui, Betty Jean Pittman and Katrina Presley.

For his patriotic efforts in the Korean War in particular, King has rated burial at Arlington National Cemetery, a high honor and memorial for a war hero. The Korean War was too significant to neglect, too momentous to ignore, too pivotal to be disregarded, and far too costly to be forgotten. And, so we take this moment to honor King, one of its many heroes.

And, he is honored even more by the great family he leaves behind with us. King George Pittman lived a long and fulfilling time. He can now rest in the arms of the God he cherished and served. Mr. Pittman will truly be missed.

SAFE KIDS USA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. HOYER. Madam Speaker, I rise today to recognize an important milestone in child

safety: Safe Kids USA's inspection of more than one million car seats.

Since 1996, Safe Kids USA, a member of Safe Kids Worldwide, has partnered with General Motors to address one of the Nation's most significant public health issues: Motor vehicle crashes are the leading cause of death for children ages 2 to 14 and the leading cause of injury-related death for children under age 2.

Together with GM, Safe Kids USA has redefined how parents and caregivers learn about child passenger safety in order to prevent these injuries and deaths from happening in the first place. We know that when installed and used correctly, child safety seats and safety belts can prevent injury and save lives. Their initiative, Safe Kids Buckle Up, sponsors car seat checkup events, which are essential to show families the intricacies of how to properly use and install child safety seats.

At these events, trained child passenger safety technicians teach families how to safely transport their children and help to make sure everyone in a vehicle is buckled up correctly on every ride. On average, technicians spend about 30 minutes with each child. Most of these events are open to the public and are conducted by Safe Kids coalitions in central locations like Chevrolet and other GM dealerships, hospitals, community centers and shopping centers. Families who need child safety seats, but cannot afford them, are never turned away and children who are being transported in potentially dangerous, recalled car seats are given safe replacements. Parents and caregivers can have the peace of mind that their child will be safer for the simple fact that they participated in a Safe Kids Buckle Up event.

In addition, through the generosity of General Motors, Safe Kids coalitions have access to Mobile Car Seat Checkup Vans which serve communities across the Nation. The vans are specially designed, self-contained units that can turn any parking lot into a full-service car seat safety event site. The fleet was launched in 1999 with 51 vans; today there are 125 on the road with another 12 being added through 2008. There are also more than 400 permanent car seat inspection stations operated by Safe Kids coalitions in order for families to take advantage of trained technicians whenever they are needed.

To date, Safe Kids Buckle Up has reached more than 15 million people and there have been more than 45,000 events that bring much needed car seat inspection services and educational messages to families across the country. The program has also donated 365,000 seats to families in need. On June 12th, the one millionth car seat was inspected at an event in Los Angeles and it personally gratifies me to see the evolution of this outstanding program that serves children and their families.

While crash protection is the backbone of Safe Kids Buckle Up, the program has evolved to offer vehicle safety programs beyond car seats and booster seats. Children can be injured or killed by heat exposure in parked cars, by suffocation when they get stuck in a trunk or when struck in a non-traffic setting such as a driveway or a parking lot. Safe Kids Buckle Up has responded to these risks by introducing three new components to their programming efforts—Spot the Tot, Never Leave Your Child Alone and Preventing Trunk Entrapment—in order to help prevent children from being left alone in or around a vehicle. I applaud Safe Kids Buckle Up for moving beyond crash protection and for addressing children's safety needs in all types of motor vehicle situations.

I was part of the launch of the Safe Kids—General Motors partnership in 1996 and I have been proud to lend my support over the years to Safe Kids in their efforts to raise public awareness of the serious problem of motor vehicle crashes. We have made considerable progress in child passenger safety but our work is not done. Every American must understand that there are proven ways to keep children safer in vehicles and we can prevent many injuries and deaths through proper safety precautions.

I encourage all of my colleagues to participate in a Safe Kids Buckle Up event in their districts to see firsthand how these safety precautions can make a difference in a child's life. Please join me in celebrating the achievements of Safe Kids USA, their remarkable 310+ coalition network and General Motors, whose combined efforts ensure that every child that visits a car seat safety event leaves safer than when he/she entered.

SEPTEMBER 13TH—DR. BERNARD LOWN DAY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. FRANK of Massachusetts. Madam Speaker, I am very pleased to join with my colleague, the Senior Senator from Massachusetts (Mr. KENNEDY), in hailing the proclamation of September 13th, 2008 as Dr. Bernard Lown Day.

In fact Madam Speaker, it would be a more accurate representation of the dimensions of Dr. Lown's great career if we were to proclaim several Dr. Bernard Lown Days. He is a man who has made numerous extremely valuable contributions to humanity in a number of fields, because he combines intellectual ability of the first order, a deep commitment to improving the quality of life of his coinhabitants of the planet, a capacity to translate his unsurpassed understanding of the actual functioning of the human heart into treatments and instruments that have significantly advanced the fight against heart diseases, and finally, a characteristic not often joined to some of those I have just listed, an understanding of the political process and how to move it.

In his professional life as a cardiologist, Dr. Lown invented the defibrillator and the cardioverter, and he was the first to use the drug lidocaine. In these innovations, in his own practice of over 50 years, and the knowledge he's imparted to countless numbers of younger—and by now not so young—other doctors, Dr. Lown has put all of us in his debt for his contributions to our health.

In addition, he has been a leader in international cooperation in the medical field, and in humanitarian work in general, recognizing early on that the fight against disease and poor health must know no artificial political boundaries.

Finally, he has been a leader in the effort to avert nuclear disaster and to promote a humane and sensible approach to international conflict. In recognition of these latter activities, Dr. Lown was a Nobel Peace Prize Laureate in 1985 for his work in co-founding the International Physicians for the Prevention of Nuclear War and the work he had done—and of course continues to do—opposing the proliferation of nuclear weapons and promoting world peace.

It is sometimes said that people who try to do too many different things can diminish their ability to do any one thing. Bernard Lown's life is an example of exactly the opposite: the many areas of important human activity in which he has excelled have not detracted from each other but rather have reinforced each other, contributing to a life's work that has been a model of how one takes his very considerable talents and puts them at the service of others.

Senator KENNEDY and I are delighted to have been given the privilege of representing Dr. Lown in the Congress of the United States and we are very proud to join here today in observing September 13th as Dr. Bernard Lown Day.

TRIBUTE TO MR. BOB MCCLELLAN

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. SHIMKUS. Madam Speaker, I rise today to honor the achievements of Bob McClellan. Mr. McClellan has, since 1994, served as President and CEO of Hortica Insurance, formerly Florists Mutual, headquartered in Edwardsville, Illinois. He had been employed at Hortica from 1987–1994 in several senior management positions. Prior to his time at Hortica, Bob McClellan served as an adjunct faculty member at Southern Illinois University Edwardsville from 1978–1985 and as Management Information Services Director from 1976–1978. It was at SIUE that Mr. McClellan received a B.S. and M.B.A. in 1974 and 1976, respectively.

Bob McClellan's most admirable achievements come not from his professional life, but his personal life. Mr. McClellan has continually dedicated himself to the betterment of his community and the preservation of educational institutions. Mr. McClellan has been a member of the Executive Board of the Boy Scouts of America Trails West Council, for example. In 1996, he worked with Edwardsville High School administrators to develop and implement a technology plan that allowed the school to provide modem instruction to its students. In 2005, Bob worked to bring a Hortica donation to SIUE when he personally carried plants and flowers to a celebration on campus. Clearly, Mr. McClellan gives freely of his time and professional expertise.

Mr. McClellan has received numerous awards in his lifetime, including the Rotary International's Four-Way Test Award for Business Ethics in 2007 and the Business Partnership Award from Ameren and the Illinois Development Council in 2005. I wish to honor him today with my words of appreciation. Men like Mr. McClellan deserve deep gratitude and respect. His unwavering enthusiasm for community development, coupled with his keen business sense, is both unusual and exceptionally commendable. As Bob McClellan retires from his post as President and CEO of

Hortica Insurance, I have no doubt that his commitment to community will continue unabated for years to come. For the past years of service, and for those to come, I offer my utmost thanks to Mr. Bob McClellan of Edwardsville, Illinois. Enjoy your retirement, Bob.

IN RECOGNITION OF MR. AND MRS. ROBERT MILLER

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. ROGERS of Alabama. Madam Speaker, I respectfully request the attention of the House today to pay recognition to an important day in the lives of two constituents of mine, Mr. and Mrs. Robert Miller.

On June 28th, the Millers will celebrate their 50th wedding anniversary. The couple will gather with friends and family at the Townsend's Warehouse on the 28th to commemorate this special occasion.

I would like to congratulate Robert and Patricia for reaching this important milestone in their lives. They are shining examples of love and dedication for us all, and I wish them and their family all the best at this important occasion.

IN HONOR OF THE 140TH ANNIVERSARY OF THE YPSILANTI DISTRICT LIBRARY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. DINGELL. Madam Speaker, I rise today to honor the Ypsilanti district library and to commemorate its 140 years of service to the Ypsilanti community. In 1868, only 31 years after Michigan became a State, a group of three women who were committed to promoting reading and literacy founded the library in the small room of a building on Huron St. It began with only 175 books, and today has expanded to three branches with a collection of over 300,000 volumes.

In addition to this impressive collection of reading material, the library provides other outstanding services to the community. It offers classes on computer skills and specific software programs, which provide participants with the tools they need to succeed in this technology-driven world. Last year, the library ran over 1,000 youth-oriented programs, which reached over 24,000 people in the Ypsilanti area. The Ypsilanti Library's ''Tumblebooks'' program provides animated picture books online for young children, which promotes early reading skills. Such services are invaluable in Michigan, as they help combat illiteracy while sparking a child's imagination and desire to continue learning.

Libraries offer themselves as a tremendous resource to those who are learning to read and those who love to read. Without libraries many young children would not have access to new books or computers with access to the Internet. I have always believed that teaching children to read provides them with an important lifelong tool. The Ypsilanti district library should be commended for what it has done to further this cause.

I am proud of the Ypsilanti library's many contributions to Michigan's 15th Congressional district and ask my colleagues to join me in congratulating the library on 140 wonderful years of service.

CONGRESS MUST ACT TO HELP SHRIMPERS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. PAUL. Madam Speaker, the American shrimp industry is a textbook example of a great American business crippled by foolish government policies. Congress and the federal bureaucracy have burdened shirmpers with needless regulations and laws that dramatically raise shrimpers' cost of doing business while subsidizing American shrimpers' overseas competitors. Unless Congress soon reverses course and repeals these destructive government policies, many shrimpers will be forced out of business.

Congress's refusal to take any constructive action to address skyrocketing fuel costs has, in particular, hurt shrimpers. Some shrimpers are so desperate to lower their fuel costs that they are going to Mexico in search of affordable fuel. Think about this, Madam Speaker it is cheaper for shrimpers to travel to Mexico to buy gas than to obtain gas in the USA. Yet, Congress still refuses to take reasonable actions, such as expanding offshore drilling or repealing federal laws that delay the production of refineries, to expand oil supply and thus reduce the price of fuel.

The federal government has also imposed numerous regulations on shrimpers dealing with use of items such as bycatch reduction devices and turtle excluder devices (TEDS). Madam Speaker, it is common to speak of the negative effects of regulations as ''unintended consequences.'' However, it is difficult to speak of the effects of the TEDS on shrimpers as unintended consequences when the National Marine Fisheries Service heard industry representatives and representatives of communities whose economies rely on a thriving shrimping industry present first-hand testimony on how these TEDS regulations would harm shrimpers.

The problems shrimpers face are compounded by foreign competitors who are taking advantage of the government-created vulnerabilities in the American shrimp industry. Adding insult to injury, the federal government is forcing American shrimpers to subsidize their competitors through international agencies such as the Overseas Private Investment Corporation, the Export-Import Bank, and the International Monetary Fund! In fact, United States taxpayers have provided over $16,500,000,000 to the home countries of the leading foreign competitors of American shrimpers since 1999.

In order to stop the federal government from punishing shrimpers with unfair regulations and forcing them to subsidize their major competitors, I introduced the Shrimp Importation Financing Fairness Act. This legislation would place a moratorium on any restrictive regulations negatively impacting the shrimp industry and prevent any taxpayer money from going to any country that exported more than 20 million pounds of shrimp to the Untied States in the previous six months. However, Congress chose not to even take these simple steps to help the American shrimp industry.

Of course, American shrimpers, like all American businesses that compete in the global marketplace, also suffers from the weak U.S. dollar. Congress's fiscal irresponsibility is a major cause of the weakening U.S. dollar.

Madam Speaker, it is still not too late or Congress to help the shrimp industry. Congress should immediately end subsidies to American shrimpers' foreign competitors, place a moratorium on harmful regulations imposed on the shrimp industry, and take action to reduce fuel prices by expanding the supply of oil. I urge my colleagues to join me in working to fix the misguided government policies that are harming America shrimpers.

RECOGNIZING SEAN WARREN OF VIRGINIA BEACH

HON. THELMA D. DRAKE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. DRAKE. Madam Speaker, I rise to recognize the outstanding achievements of Sean Warren of Virginia Beach, and to commend him on becoming a Congressional Award Gold Medalist. This recognition by the United States Congress is the highest honor bestowed upon America's youth. It serves as a testament to Sam's strength of character and commitment to our national values of dedication to public service and the cherished qualities of personal growth, initiative, and achievement, all of which are cornerstones of the Congressional Award.

Sean's volunteer efforts are tremendous, speaking very highly of him and his level of commitment to the community and to public service. In earning the rank of Eagle Scout, Sean worked with the Lynnhaven Baseball Fields Executive Board to provide a children's playground area onsite. In addition, he continues to be active within the Boy Scouts of America (BSA) Tidewater Council, serving as Junior Assistant Scoutmaster and Senior Patrol Leader, completing the Venturing Scout program, receiving the BSA Tidewater Council Venturing Leadership Award, and participating in the Physical Fitness QUEST and Fitness for Life programs.

Sean has devoted time and energy to excellence in physical fitness, improving his running and weightlifting capacity for the Navy Junior Reserve Officers Training Corps (NJROTC) and football at Princess Anne High School. He has engaged in opportunities also for advanced leadership experience, including his position as Cadet Athletic Commander for his NJROTC unit and as a member of the 2006 COPE Program. Sean has balanced the challenges of public service with his own personal welfare and developed a well-rounded persona.

Sean has become a role model not only his peers and teammates, but for the large community around him. Upon receiving the Congressional Medal, he joins a most elite group of our Nation's youth who have set and

achieved this very commendable goal. I am certain Sean's incredible accomplishments, dedication to service, and evident leadership talents will continue to speak highly of him, as they do now.

INTRODUCTION OF IMPORTED ETHANOL FACILITATION ACT

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. UDALL of Colorado. Madam Speaker, today I am introducing a bill to facilitate the importation of ethanol. It is cosponsored by my colleague from Colorado, Mr. PERLMUTTER, and I appreciate his support.

The bill will direct the President to lower the ethanol import tariff, so that it will never be higher than the tax-credit subsidy for blending ethanol into gasoline.

Historically, the ethanol tariff was linked to the subsidy, and so had the effect of precluding foreign ethanol blenders from benefiting from the subsidy. However, the recently-enacted Farm Bill will reduce the subsidy but simultaneously extend the tariff for 2 more years at $0.54 per gallon.

Unless that changes, the tariff will be changed into a trade barrier that will make it even harder for ethanol imports to enter the U.S. market. This can have serious adverse consequences. For example—

By restricting supplies, it will tend to increase the price of fuel—including both gasoline and ethanol—in the United States.

It will make it harder to import sugar-based ethanol, which can work in today's cars and, like other ethanol emits considerably less lifecycle greenhouse gas than gasoline.

It works against imports from friendly countries that produce ethanol while oil and gasoline imports from OPEC enter the United States tax-free.

It hinders the emergence of a global biofuels marketplace that could permit mutually beneficial trade between producing regions and stabilize both fuel and food prices.

And it tends to increase our dependency on fossil fuels—including petroleum from the Middle East—when we should be working to reduce that dependency.

By restoring the role of the tariff as an offset, not a trade barrier, my bill will prevent those consequences. In this respect, it is a companion to legislation (S. 3080) introduced in the Senate by Senator FEINSTEIN.

In addition, my bill will require the Energy and Commerce Departments to report to Congress regarding the possible effect of further reducing—or even eliminating—the tariff on ethanol on fuel supplies and prices in the United States and on the domestic production of ethanol.

I have included this provision because I think it is worth exploring whether legislation to further reduce or eliminate the tariff could help reduce fuel prices without serious harm to our domestic ethanol industry.

Madam Speaker, this bill alone will not do all that should be done to revise and reform our energy policies. But I think it can help, and I think it deserves the support of all our colleagues.

For the benefit of our colleagues, here is an outline of the bill's provisions:

SECTION-BY-SECTION OUTLINE

Section one provides a short title, "Imported Ethanol Facilitation Act."

Section two sets out findings regarding the reasons for the bill. It also states the bill's purpose, which is "to ensure that the tariff on ethanol does not exceed the tax credit applicable to blenders of ethanol, to avoid erecting a new trade barrier to imports of ethanol while assuring that foreign blenders will not benefit from the tax credit, and to require a study of potential effects of further reduction in or elimination of the duty on ethanol."

Section three directs the president to act to ensure that the ethanol tariff will not exceed any tax credit applicable to ethanol.

Section four requires the Department of Energy and the Commerce Department to report to Congress regarding the effects any further reduction—or elimination—of the ethanol tariff would have on (1) fuel supplies and fuel prices in the U.S.; and (2) the domestic production of ethanol. The deadline for this report would be 90 days after the bill's enactment.

THANKING MR. DANIEL G. DOODY FOR HIS SERVICE TO THE HOUSE

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BRADY of Pennsylvania. Madam Speaker, on the occasion of his retirement on July 6, 2008, we rise today to thank Daniel (Dan) Doody for over 23 years of combined federal government service within the Department of Defense and the U.S. House of Representatives.

Prior to his tenure with the House, Dan spent approximately 15 years of his career in the Department of Defense with responsibilities ranging from program control officer and staff engineer to various management positions supporting complex systems development activities.

In January 2000, Dan came to the U.S. House of Representatives, within the Office of Chief Administrative Office, CAO, as the Deputy Associate Administrator for House Information Resources (HIR). In this role, Dan managed the CAO's technology planning and budgeting activities as well as overseeing systems development projects and operations.

In August 2001, Dan took overall responsibility for HIR, an organization of approximately 270 staff. This role was quickly tested when in September 2001 the nation experienced the tragic events of September 11th followed quickly by the House Office Building anthrax contamination and subsequent closures in October 2001. Immediately thereafter, Dan was assigned the critical role of Program Manager for the House's Business Continuity Disaster Recovery (BCDR) initiatives. The focus of this program was to dramatically improve the House's business continuity planning and recovery capabilities so that House essential support services were easily restored or transitioned to backup systems in the event of an emergency.

Dan continued his duties as HIR Associate Administrator until February 2006 at which time he became the Deputy CAO for Operations. In this role, Dan had responsibility for the operations of HIR, Administrative and Financial Services, Workforce Services, and Business Continuity. Dan's attention to detail, skill in developing working relationships at all levels of the House, Legislative Branch, and industry, as well as his uncanny ability to discern good ideas and implementation approaches from the bad, Dan was a voice of reason whose recommendations and opinions were always sought after and held with the highest regard.

Dan has dedicated his life to making the federal government and, in particular, the CAO and the U.S. House of Representatives a better and more secure place to work. After his retirement from the government, Dan's plan is to return to private industry. On behalf of the entire House community, we extend congratulations to Dan for his dedication and outstanding contributions to the U.S. House of Representatives. We wish him many wonderful years in fulfilling his retirement dreams.

IN TRIBUTE OF REX LAIRD

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GALLEGLY. Madam Speaker, I rise in tribute to Rex Laird, who retired this week after 28 years as Chief Executive Officer of the Ventura County Farm Bureau.

As CEO, Rex was responsible for managing the Farm Bureau's staff, daily operations and finances. He recommended policy to the bureau Board of Directors, implemented board directives, and represented the interests of the membership at legislative and regulatory hearings. He also served as the bureau's liaison with the news media and community organizations.

Rex did it all with a calm, consensus-building demeanor. It's safe to say that Rex and I didn't always agree, but we always parted with a handshake and looked forward to seeing each other again.

Rex commands respect due to his knowledge and passion for Ventura County's agricultural industry. During his tenure, the county's population more than doubled. Restrictions tightened on pesticide use; trade with the Pacific Rim expanded; competition from foreign growers increased; and growers faced floods, freezes, fires, droughts, and agricultural pests.

Rex not only helped steer the industry through it all, he helped it grow and expand. Today, agriculture remains one of Ventura County's top industries, grossing more than $1.5 billion annually. Agriculture is also diverse in Ventura County, with citrus and nut groves, row crops, livestock and poultry, and nursery stock, among others.

Rex's skill as a consensus builder is epitomized by his role as a founding member of the Ag Futures Alliance Committee, which was formed to promote better understanding and dialog within the community on agricultural issues. The group includes representatives from the community, media, business, agriculture, environmental, and advocacy groups.

In 2005, the California Farm Bureau Federation recognized the Ventura County Farm Bureau for its activities in the Ag Futures Alliance and its leadership role working in a collaborative effort with the Association of Water

Agencies and other agricultural and water entities. Rex has been awarded numerous personal citations as well.

Madam Speaker, Rex leaves Ventura County's agricultural industry strong. I know my colleagues will join me in thanking him for his many years of dedicated service and in wishing him a long and fruitful retirement with his wife, Susan; and many years of enjoyment with their sons, Sean and Kevin; and their five grandchildren.

IN RECOGNITION OF JOHN PLAYTER'S SERVICE AS A WORLD WAR II VETERAN AND POW

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BLUNT. Madam Speaker, I rise today to honor and say thank you to a true American hero—and Missouri native. John Playter might not be a household name for many, but his service to our country during World War II certainly earns him a leading role in America's Greatest Generation.

Mr. Playter was called to duty in 1941 and served as an artillery officer before being taken prisoner with thousands of other U.S. servicemen after the fall of Bataan. His story of survival—through death marches and labor camps—in the Philippine jungles as an American soldier and a prisoner of war is extraordinary and nothing short of inspiring.

After more than two years in Japanese captivity, Mr. Playter regained his freedom only after the Japanese prisoner ship Shinyo Maru sank while transporting 730 Americans. Again defying the odds, John was one of only 83 survivors to be rescued by an American submarine.

When returning to Missouri, Mr. Playter met a young woman named Charlene at the O'Reilly General Hospital in Springfield where he recovered from injuries sustained during his captivity. John married Charlene and spent the next 38 years of his life with her at his side.

Staying true to his roots, Mr. Playter worked 25 years as the city engineer for the City of Bolivar. And, along the way, published his memoir, Survivor. His personal telling of this powerful story describes the service, faith and triumph of John and his brave colleagues.

The Bolivar Rotary Club will honor Mr. Playter for his service to his country, community and more than 50 years of service as a Rotarian this 4th of July when they name a three-acre park in his honor during their annual "Celebration of Freedom." John's life is an inspiration to everyone and one that deserves this long overdue honor. I'd like to publicly thank Mr. Playter for his dedicated service to his Nation and community.

CONGRATULATING JORGE URBINA, RECIPIENT OF THE PEACE CORPS FRANKLIN H. WILLIAMS AWARD

HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BURGESS. Madam Speaker, I rise today to congratulate Jorge Urbina on being awarded the Peace Corps Franklin H. Williams Award. This award celebrates the ongoing civic contributions of returned volunteers, and is intended to recognize the efforts of those who, like Mr. Urbina, have worked tirelessly to better their communities at home. Mr. Urbina will receive the award tonight, in a ceremony to be held here in Washington, D.C.

Mr. Urbina is currently the President of the Denton Hispanic Chamber of Commerce, a position he has held since 2001. His law practice, Urbina Law and Title, has consistently been committed to diversity in the workplace and involvement in the community. In recognition of his firm's outstanding work, Mr. Urbina was recently named the Small Business Administration's Minority Small Business Champion of the Year. In addition, Mr. Urbina is vice president of the Denton assistance center, a grassroots movement to build a common facility to house a collection of non-profit organizations in the area. He also recently resigned his position on the board of Interfaith Ministries of Denton, after serving for the maximum 12-year term. Mr. Urbina and his wife, Patty, have three children: David, age 21, Thomas, recently graduated from high school, and Susana, age 12.

Established in 1999, the Franklin H. Williams Award pays tribute to returned Peace Corps Volunteers of color who continue the Peace Corps mission through their commitment to community service, and who support the agency's third goal of promoting a better understanding of other peoples on the part of Americans.

I commend Mr. Urbina for the work of his outstanding legal practice, and also for his special involvement in the local community. The award he receives today is well deserved, and I am proud to represent him in the 26th District of Texas.

PERSONAL EXPLANATION

HON. STEVE KING

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. KING of Iowa. Madam Speaker, I was detained while attempting to reach the House floor to cast my vote on rollcall No. 415 on June 17, 2008. Had I been able to reach the floor before the vote was closed, I would have voted "yea."

H. CON. RES. 318, SUPPORTING THE GOALS AND IDEALS OF THE INTERNATIONAL YEAR OF SANITATION

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. McCOLLUM of Minnesota. Madam Speaker, I rise today in strong support of H. Con. Res. 318, a resolution to support the goals and ideals of the International Year of Sanitation and to help raise awareness of the importance of sanitation and safe drinking water.

This resolution recognizes the importance of sanitation on public health, poverty reduction, economic and social development, and the environment. In 2000, the United States and other world leaders committed themselves to combat poverty, hunger, and disease through the Millennium Development Goals (MDG). One target is to halve the number of people without access to safe drinking water and basic sanitation by 2015.

Today more than 1 billion people live without safe drinking water and an estimated 2.6 billion people worldwide go without proper sanitation. This lack of access contributes to the deaths of an estimated 1.5 million children each year. Clean water and sanitation are necessary to fight disease and reduce child and maternal mortality. Without it, more children will be sick, more children will forgo schooling, and more will lose their lives to disease.

The absence of basic water and sanitation services is particularly difficult for girls. In communities that lack these services, young girls often bear the burden of water collection leaving them little time or energy for school. Those who do make it to school find that only half all the world's schools have access to clean drinking water and adequate sanitation—estimates show half the girls in Sub-Saharan Africa who drop out of primary school do so because of poor water and sanitation facilities. That is why investments in clean water and sanitation are essential to achieving universal education. A school sanitation program in Bangladesh helped increase the number of girls enrolling by 11 percent.

Expanding access to clean water and basic sanitation is one of our best strategies for improving the health and prosperity of entire communities and it is a necessary step toward achieving all of the MDGs. I urge my colleagues to join me in support of this resolution and to renew their commitment to improving access to safe drinking water and basic sanitation to help people live more productive and healthy lives.

TO SUPPORT THE GOALS OF THE THIRD ANNUAL NATIONAL DUMP THE PUMP DAY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. OBERSTAR. Madam Speaker, I rise today in support of an innovative approach to increasing use on our Nation's public transportation network. Today, June 19, Americans

across the country will ''dump the pump'' and ride public transportation as part of the Third Annual Dump the Pump Day. This important cause is sponsored by the American Public Transportation Association, APTA, and more than 100 public transportation systems will take part in ''dump the pump'' activities across the United States to encourage increased ridership on our Nation's transit systems.

Activities for Dump the Pump day include having public events with drawings for free transit passes and other prizes, offering free or reduced rides, doing radio promotions, and providing ''transit ambassadors'' to help new riders.

As the price of gas has now surpassed $4 a gallon, even more commuters are choosing to ride the train or the bus to work rather than drive alone in their cars. In the first quarter of 2008 commuters took more than 2.6 billion trips on trains, subways, light rail, and buses nationwide, an increase of 3.3 percent over the first quarter of 2007. Light rails saw the largest jump in ridership with a 10 percent increase to 110 million trips. Transit systems in metropolitan areas are reporting increases in ridership of 5, 10, and even 15 percent over last year's figures. Some of the biggest increases in ridership are occurring in many areas in the South and West where new bus and light rail lines have been built in the last few years.

Recently, public transportation has experienced a renaissance in American cities and towns. In 2007, Americans took over 10.3 billion trips on public transportation, the highest level in 50 years. Public transportation use is up 32 percent since 1995, a figure that is more than double the growth rate of the population and is substantially over the growth rate for the vehicle miles traveled on our Nation's highways for that same period. All around the country, voters continue to approve State and local ballot initiatives to support public transportation, even when it means local taxes will be raised or continued.

Despite these dramatic increases in usage, only 5 percent of workers nationally commute by public transit. Efforts to increase this statistic, such as Dump the Pump Day, are critical to assisting American commuters in making the switch to public transit in their daily commutes.

Another important goal of Dump the Pump Day is to reduce the United States dependence on foreign oil by encouraging more people to use public transportation. According to a recent study, if Americans used public transit at the same rate as Europeans—for roughly 10 percent of their daily travel needs—the United States could reduce its dependence on imported oil by more than 40 percent, nearly equal to the 550 million barrels of crude oil that we import from Saudi Arabia each year. When a solo commuter switches from a single occupancy vehicle to a transit commute, this single mode shift can reduce carbon dioxide emissions by 20 pounds per day—more than 4,800 pounds in a year.

Public transportation use in all of its forms—bus, rail, vanpool, ferry, streetcar, and subway ridership to name a few—saves fuel, reduces emissions, and saves money. The direct petroleum savings attributable to current public transportation use in the United States is 1.4 billion gallons per year. When the secondary effects of transit availability on travel are also taken into account, the equivalent of 4.2 billion gallons of gasoline is saved annually—more than 11 million gallons of gasoline per day.

This is why I have introduced H.R. 6052, the ''Saving Energy Through Public Transportation Act of 2008.'' This bill provides much needed support to public transportation agencies and greater incentives for commuters to choose transit options, thereby reducing their transportation-related energy consumption and reliance on foreign oil. The Saving Energy Through Public Transportation Act of 2008 authorizes funding for transit agencies nationwide that are temporarily reducing transit fares or expanding transit services to meet the needs of the growing number of transit commuters. H.R. 6052 also extends the Federal transit pass benefits program to require all Federal agencies in the United States to offer transit passes to Federal employees working in urbanized areas with fixed route transit systems nationwide.

Both increased use of public transportation and increased Federal investment in transit are crucial steps we must take to address skyrocketing gas prices, environmental degradation and gridlocked roadways across the Nation.

For these reasons and more, I support the Third Annual Dump the Pump Day to promote public transportation usage in the United States and help America break its addiction to foreign oil, reduce greenhouse gas emissions and free our highways from the crippling effects of congestion. I also urge my colleagues to join me in supporting H.R. 6052, the Saving Energy Through Public Transportation Act of 2008.

ON THE INTRODUCTION OF THE PUBLIC CHARTER SCHOOLS HOME RULE ACT OF 2008

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. NORTON. Madam Speaker, today, I am introducing the Public Charter Schools Home Rule Act of 2008, to give the District of Columbia local government full jurisdiction and complete oversight over the District of Columbia Charter School Board. I had hoped this normally routine local control would be possible when I was in the minority and worked with House Speaker Newt Gingrich and former Representative Steve Gunderson on the bill that created the District's major charter school board. While the charter board bill itself was created on a home rule basis, the structure was not, and reflects a period before the recovery of the DC government from financial and managerial distress.

The DC Charter School Board is composed of members selected by the mayor, but only from a list of individuals presented by the Secretary of the Department of Education. Unlike similar boards in the District, the charter school board members need not be residents of the District of Columbia. Because the mayor is not permitted to select members of the board other than those submitted by the Secretary, the Federal Government inserts itself into critical decisionmaking about an important local education matter. This is an anti-home rule anomaly in a bill which had strong home rule support and is justifiably resented by DC public officials and residents.

Ironically, the charter school bill itself was drawn with an abundance of home rule officials and resident participation. The DC Charter School Board was established by Congress during a time when the District was in the midst of a serious financial crisis. The city's local charter board, working under the DC Board of Education, had largely failed in its mandate to charter schools. Yet, it was clear that the District's children needed an alternative to the local school system. I am grateful that my Republican congressional colleagues, who controlled Congress at the time, agreed that alternatives to DCPS could be created without going to private school vouchers, which DC residents and elected officials strongly opposed. Instead, a task force, created by Speaker Gingrich and led by former Representative Steve Gunderson, worked with officials, residents and me, on a home rule basis, to develop the bill. The task force held many sessions that members of the City Council, the School Board, DC education advocates, and residents who had a special interest in education attended. H.R. 3610 became the first Federal charter school bill. Shortly thereafter, a nationwide charter school bill that includes grant funding was enacted with broad bipartisan support.

I do not believe any of us could have anticipated the phenomenal growth and success of the DC Charter School Board or the level of innovations, diversity and excellence of many of the schools that has made it a model, and my bill is not intended as a criticism of the Charter School Board or its work. DC residents have created huge demand. The exponential growth of charter schools up to the largest number in the U.S. and their long waiting lists are a solid indication of the success of our charter schools in meeting the needs of thousands of students. The city would almost surely have lost many more residents than it has without the large growth of charters schools.

Mayor Adrian Fenty is restructuring and reforming the DC public school system and has dissolved the local charter school board, leaving the federally created charter school board as the only standing authority. However, a federally chartered board structure is at odds with these reforms. Only a structure developed by local, officials is appropriate, particularly for local education matters. This bill, therefore, does not create a structure or indicate the appointing authority. In our country that is a matter for local officials alone. I have insisted that this bill do no more than repeal all existing Federal jurisdiction and transfer that jurisdiction to the District of Columbia to write its own bill.

Only DC officials should appoint members to its local education board. The board cannot be appropriately accountable if its members are chosen from outside the accountable jurisdiction. I urge my colleagues to pass this important measure as soon as possible.

OFFERING GOOD LUCK AND A SAFE RETURN TO GROTON'S 1109TH AVCRAD

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. COURTNEY. Madam Speaker, today, nearly 150 members of the 1109th Aviation

Classification Repair Activity Depot of the Connecticut National Guard are preparing for the unit's second deployment abroad to Iraq. Although my duties in Washington prevent me from joining the send-off ceremony today in Groton, I want the members of the 1109th AVCRAD, and their families, to know that all of Connecticut is proud of them and look forward to their safe return.

Connecticut's AVCRAD plays a critical role in supporting our military. The unit provides maintenance and logistics for aircraft and equipment help to 14 across the Northeast states and supports Connecticut's fleet of Black Hawk helicopters. Last year, I had the chance to visit their facility and see their operations up close. I walked away from that experience deeply impressed with the professionalism, skill and dedication they have for their mission.

Overseas deployment is not new to the AVCRAD. Yet, as we know all too well, any military deployment is hard not only on our men and women in uniform, but also on their families and loved ones waiting at home for them to return. In my visit last year, I was briefed by the unit's leadership about the scope and impact that this deployment will have not only on the unit as a whole, but also on the families of those preparing to deploy. As I did then, today I continue to offer my unconditional support and assistance to them and their families throughout the length of this deployment.

I am proud to represent the 1109th AVCRAD in Congress. I join Connecticut's Adjutant General, Major General Thaddeus Martin, the unit's commanding officer, Colonel Tom Boland, and the people of southeastern Connecticut in wishing the 1109th AVCARD good luck and eagerly awaiting their safe return.

GEORGE HADDAD FOR HIS OUTSTANDING COMMITMENT TO EDUCATION

HON. CHRISTOPHER S. MURPHY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MURPHY of Connecticut. Madam speaker, I rise today in honor of the commitment to public service that a constituent of mine from Waterbury, Connecticut has made throughout his career as a teacher in the Waterbury school system. George Haddad spent his entire 56-year career serving the students of the Waterbury community, working nights as an adult education instructor.

Education is a stepping stone to prosperity and is absolutely essential in today's rapidly-changing economy. Ours is a Nation that simply cannot thrive and flourish without a well-educated citizenry. Unfortunately, there are still many barriers to a good education that confront scores of Americans.

Mr. Haddad had some of the toughest cases a teacher can have. There have been gang members and young people who have been expelled from other schools that are among those he has counted as students. Yet for 56 years George Haddad refused to give up on these students, never backing down from a challenge. He is renowned and beloved among his colleagues and former pupils as an educator who truly has the best interests of his students at heart. Having served his country bravely in World War II, Mr. Haddad carried those same virtues of duty and responsibility throughout his entire life.

We owe a great debt of gratitude to George Haddad and others like him who have spent their lives ensuring that those who may have otherwise slipped through the cracks get the education that they deserve. I congratulate Mr. Haddad on his proud record of service to his community and to our country. He is an excellent role model to all, and his example is one to which we should all aspire.

YOUTH CO-OP'S CELEBRATION OF WORLD REFUGEE DAY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. ROS-LEHTINEN. Madam Speaker, it is a pleasure to extend my sincere greetings to all the attendees of th Youth Co-Op "World Refugee Day, Celebrating Human Rights". As you gather today to celebrate the contributions of refugees throughout the would, I would like to thank the executive director, Maria Rodriguez, and all of Youth Co-Op for their commitment to the betterment of the entire south Florida community and the many refugees who have made new homes here. Since its inception, the Youth Co-Op has been a pioneer institution in assisting refugees in translating their strengths, skills and past experiences into assets in their new communities. I would also like to personally applaud the men and women of the Youth Co-Op for working closely with community members to providing a warm and secure welcome to all refugees.

Unfortunately, in a prison cell not much larger than a portable toilet, without a window to watch the days pass him by, or even another human being to soothe the pangs of loneliness, the prisoner lies helpless as we celebrate. He has lived his entire life in a world, just outside, where liberty has been suffocated and injustice reigns. Dr. Oscar Biscet is one of many prisoners of conscience incarcerated in Cuba and around the world for not cooperating with the government's unjust practices. Like Mohandas Gandhi, Martin Luther King, Jr., and Jose Marti before him, Dr. Oscar Elias Biscet, has become universal symbol of dignified activism, liberty, peace, and resilience. The policies of the totalitarian regime which he dissented from are blatant violations of the human rights which we so cherish. Biscet has demonstrated the courage and resolve that has earned him international recognition as a champion of human dignity, even while denied a voice in his own homeland.

On this day, June 20, World Refugee Day, we must keep in mind what it means to be a refugee, an asylum seeker, and a political prisoner. Uprooted from their homes and livelihoods, escaping in the night with only that which you can carry, or beaten and humiliated into submission, refugees sacrifice everything in hope of a better future. By definition, a refugee is an individual who flees their country because their lives are jeopardized by an inability to feel free and secure in their homeland. A 2007 Presidential Medal of Freedom recipient, Dr. Biscet represents the very principles for which any individual would become a refugee. His plea for justice and freedom for his people are resoundingly similar to those reverberated throughout history and across the world by anyone who has experienced oppression, especially those who are forced to resort to fleeing their country.

Biscet's physical incarceration exemplifies the figurative imprisonment of all Cubans and the worldwide struggle of every refugee. His commitment to his cause is demonstrated by his refusal to denounce his pleas for justice in return for release from prison. Even given the opportunity for freedom in exile, Biscet has chosen not to abandon his people saying "I will continue to resist until realizing freedom for [all] my people." On this day, we unite to recognize and honor the continual struggle for basic human rights by people like Biscet. It is difficult to imagine that in many places around the world, including just 90 miles across our Florida straits, simply reading these words and advocating this cause could would easily result in being confined to a windowless, 3-by-6 foot cell.

Unfortunately, even as prisoners of conscience remain incarcerated and opposition movements like Las Damas de Blanco stage peaceful demonstrations challenging the governments crackdown on 75 dissidents in 2003, our country grows increasingly complacent. We cannot forget the systematic abuses being committed by oppressive regimes in places like China, Burma, Zimbabwe, and Cuba. A movement of low expectations only assumes that other fragments of freedom and democracy will follow. We must remember that small concessions to liberty are not a full and just realization of freedom. As a long time member of the Congressional Human Rights Caucus, I believe that this is simply not enough. We must demand basic, internationally recognized human rights for all.

Today, as the world stand behinds us in solidarity, we must not forget that millions of people are still fighting for the rights which we take for granted in this country. It is unjust that the human conditions be constantly subjected to a tug of war between the tribulations brought about by oppression and the sanctity of human rights. It is paradoxical for human rights to exist on signed declarations alone but for those same signatories to forgo these same principles of life liberty, and security which are innate within every person. Jose Marti once wrote that "We are free, but not to be indifferent to human suffering. Man is not free to watch impassively the enslavement and dishonor of men, nor their struggle for liberty and honor." We do not need to be enduring abuses and imprisonment in order to advocate for human rights. In fact, today on World Refugee Day, our liberty can serve as our best weapon against oppression

IN HONOR OF SENIOR AIRMAN JASON DORIAN NATHAN

HON. JIM MARSHALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MARSHALL. Madam Speaker, I rise today in honor of Senior Airman Jason Dorian Nathan on the first anniversary of his death due to hostile fire while stationed in Iraq.

Senior Airman Nathan was a 2004 graduate of Central High School in Macon, Georgia. His strong sense of patriotism, honor, and commitment to excellence led him to proudly enlist in the United States Air Force. He planned to resume his studies at Fort Valley State College and University, where he pursued a degree in Criminal Justice prior to his enlistment in 2005.

Madam Speaker, on June 1, 2008, the 48th Fighter Wing dedicated a Vehicle Entry Gate at RAF Lakenheath in honor of Senior Airman Nathan. The plaque which commemorated the event reads, ''This gate is memorialized in the name of Senior Airman Jason D. Nathan who was assigned to the 48th Security Squadron, 48th Fighter Wing, RAF Lakenheath, England. Senior Airman Nathan was mortally wounded by an improvised explosive device on 23 June 2007 while on a combat patrol in Tikrit, Iraq in support of Operation IRAQI FREEDOM. He gave his life providing courageous support to his squad while protecting the people of Iraq in their pursuit of freedom from oppression and terror. Senior Airman Nathan's heroic actions and unselfish dedication upheld the highest traditions of the Security Forces career field and the United States Air Force.'' Senior Airman Nathan was also honored at ceremonies in Iraq and in Afghanistan.

Senior Airman Nathan's selfless service to his country, his willingness to pay the ultimate sacrifice so that all of us can enjoy the fruits of liberty, his desire to see the Iraqi people live in a free and democratic society, are all attributes of an outstanding young American to whom we all owe a great debt of gratitude and respect.

Madam Speaker, I am confident my colleagues will join me in recognizing the heroism, patriotism and fidelity of Senior Airman Jason Dorian Nathan.

ON THE PASSING OF THEO BAARS, JR.

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MILLER of Florida. Madam Speaker, it is with great sadness that I rise today to recognize the passing of Theo Baars, Jr. Over several decades, Theo helped shape the Pensacola community and contributed greatly to making this area a great place for people to live and work.

During the 1960s, 1970s and beyond, Theo played a great role in bringing some important businesses and services to the Pensacola area, located in my district in Northwest Florida. Through his active work in the real estate community, several buildings that are now considered landmarks were built, including Sacred Heart Hospital and Pensacola Junior College. Theo was instrumental in locating these two landmarks and numerous other buildings in areas where they would serve the greatest amount of people.

Theo's projects not only benefitted great numbers of people but also the community as a whole. From health care to higher learning to consumer goods to state parks, he made sure that development was not done for the sake of development, but to directly benefit those living and working in the area. His dedication to the community's well-being extended into his involvement with several civic organizations as well, including the Pensacola Bay Area Chamber of Commerce, the National Naval Aviation Museum and his role as a founding member of Junior Achievement.

Madam Speaker, Northwest Florida will long remember the legacy of Theo Baars, Jr. His influence in the area will not only be seen but also felt on a daily basis as people travel through the area. My thoughts and prayers are with Marge, his wife of 30 years, and all his family. We will miss this man who helped make our world a better place.

RECOGNIZING IAN GIBSON OF VIRGINIA BEACH

HON. THELMA D. DRAKE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mrs. DRAKE. Madam Speaker, I rise to recognize the outstanding achievements of Ian Gibson of Virginia Beach, and to commend him on becoming a Congressional Award Gold Medalist. This recognition by the United States Congress is the highest honor bestowed upon America's youth. It serves as a testament to Ian's strength of character and commitment to our national values of dedication to public service and the cherished qualities of personal growth, initiative, and achievement, all of which are cornerstones of the Congressional Award.

Ian's volunteer efforts are tremendous, speaking very highly of him and his level of commitment to the community and to public service. Ian completed over 600 hours of Voluntary Public Service and earned the rank of Eagle Scout, working with Strawbridge Elementary School to provide school supplies to orphans in Bolivia and Russia, and 25 local children. In addition, he continues to be active within the Boy Scouts of America (BSA) Tidewater Council, serving as Junior Assistant BSA Tidewater Council Venturing Leadership Award, and participating in the 2007 National OA Leadership and Conservation Summit at Indiana University.

Ian has devoted time and energy to excellence in the sports of baseball and football, honing his speed and endurance, and earning a selection as First Colonial High School's ''Male Student Athlete of the Week.'' By maintaining his own physical well-being, he has balanced the challenges of public service with his own personal welfare and developed a well-rounded persona.

Ian has become a role model, not only for those young cub scouts he assists and tee-ball players he coaches, but also for the large community around him. Upon receiving the Congressional Medal, he joins a most elite group of our nation's youth who have set and achieved this very commendable goal. I am certain Ian's incredible accomplishments, dedication to service, and evident leadership talents will continue to speak highly of him, as they do now.

HONORING PADMA VELIGATI

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Padma Veligati of St. Joseph, Missouri. Padma is active in the community through work and in her spare time and she has been chosen to receive the YWCA Women of Excellence Award for Woman in Volunteerism.

When asked what Padma Veligati gives back to her community through volunteerism, answers vary, but the themes are the same. She is compassionate, committed, and her focus is always on those she serves. Padma has spent one day off each month for the past three years volunteering at the city's Social Service Board whose mission is to serve the health needs of those in poverty, lacking health insurance and not covered by Medicare or Medicaid. She takes on the most difficult gynecological cases, and her colleagues say that she has saved the lives of many women. Having grown up in a third-world country, Padma feels strongly about the lack of availability of medical services to certain segments of the population, especially considering how wealthy our nation is compared to the rest of the world.

Padma was recently admitted into the Masters in Public Health program at the Johns Hopkins School of Public Health. While Padma will have to give up volunteering in the short-term in order to balance her studies and a busy OB/GYN practice, her new degree will help her achieve her goal of working in international public health and impacting even more women in need.

Madam Speaker, I proudly ask you to join me in recognizing Padma Veligati. She has made an amazing impact on countless individuals in the St. Joseph Community. I am honored to represent her in the United States Congress.

IN ANTICIPATION OF VIETNAMESE PRIME MINISTER NGUYEN'S OFFICIAL VISIT TO THE U.S.

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. WOLF. Madam Speaker, next Tuesday, Vietnamese Prime Minister Nguyen will visit the White House. I sincerely hope that the President will seize this opportunity to be bold and make Vietnam's deplorable human rights record a point of focus. Any further cooperation between the U.S. and Vietnam should be contingent upon establishing benchmarks for improved human rights and increased religious freedom in Vietnam.

Vietnam's human rights record remains a disgrace despite its ascension to the World Trade Organization—a move that many believed would help liberalize the political as well as the economic situation. The citizens of Vietnam today remain unable to change their government. Last November, the government arrested and imprisoned two Vietnamese citizens and three foreign citizens for preparing

pamphlets which advocated democratic change in Vietnam. One of those five is an American citizen, Dr. Nguyen Quoc Quan, who continues to languish in prison despite numerous appeals by the U.S. government for his release.

According the Human Rights Watch, since mid-2006, 40 peaceful activists have been arrested. They join the over 350 religious and political prisoners sentenced since 2001. Vietnam it not progressing, it is regressing. Government officials continue to harass religious groups.

Religious institutions are required to apply for permits; but many of these applications are ignored or denied leaving congregations without protection of the law and vulnerable to abuse. In the Central Highlands, provincial officials have been trained to deny medical, educational, financial and other government services to religious families. Local police beat a Protestant man in Phu Yen province for refusing to renounce his religion; he later died of internal injuries from the beating. The activities of the United Buddhist Church of Vietnam are actively banned.

I was disappointed when the State Department removed Vietnam from its list of Countries of Particular Concern in regard to religious freedom. I have asked the State Department that Vietnam be added back onto the list.

Trafficking in persons also remains a major problem. Vietnam was listed as a Tier Two country in the State Department's 2008 Trafficking in Persons Report. Poor women and teenage girls in rural areas remain most at risk of being trafficked, primarily for sexual exploitation.

I was very disappointed when I read of an exchange U.S. Ambassador to Vietnam Michael Michalak had with journalists and he only mentioned human rights one time. I have written to Ambassador Michalak several times and urged him to make promoting human rights his top priority.

The U.S. Embassy in Vietnam should be an island of freedom and work to promote human liberty and dignity. Regrettably, it is not. Several of my colleagues have joined me in writing Ambassador Michalak and asking that he invite all Vietnamese dissidents to the U.S. Embassy in Hanoi on July 4—America's Independence Day. I look forward to his response.

I will continue speaking out for the Vietnamese people who want to see their government turn away from violence and repression, and embrace the universal principles of human rights and religious freedom.

RECOGNITION OF THE 145TH BIRTHDAY OF THE STATE OF WEST VIRGINIA

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. RAHALL. Madam Speaker, I rise today in recognition of the 145th birthday of my home State, West Virginia.

The most violent conflict in the history of our Nation, the Civil War, gave America a new definition of freedom, strengthened the role of the Federal Government, and ultimately reconciled our fractured Union. For West Virginians, the 1861–1865 conflict remains significant for another reason: Virginia was rendered in two, east and west, and a new State, West Virginia, was born.

This June 20th marks the 145th birthday of the State of West Virginia. I ask all West Virginians—the hardest working, most hospitable, and most patriotic people in the United States—to join me in celebrating how far our State has come.

West Virginians have long known their uniqueness and celebrated it. As the only State to be formed by seceding from its parent State, West Virginia blazed a trail of independence of mind and spirit in a country that was tearing itself apart. West Virginia is the only State to achieve Statehood by the proclamation of a President on the provision that West Virginia would support the gradual abolishment of slavery in its newly formed constitution. On June 20, 1863, West Virginia became the 35th State.

On this West Virginia Day, I reflect upon the treasures of our State—truly one of the most beautiful in the Nation. With its majestic mountains, rolling hills, awesome gorges and rivers, picturesque towns, hospitable people, and a "wild and wonderful" atmosphere, I thank God for the opportunity to call it home.

Many historic figures have lived and traveled through the Mountain State on their way to shaping the course of our Nation's history. Daniel Boone settled and lived in present day Kanawha County. Stonewall Jackson, the stalwart Civil War general, was born in Clarksburg and Pearl S. Buck—Pulitzer Prize and Nobel Prize winning author was born in Hillsboro, Pocahontas County.

Many modern-day heroes and stars also hail from the hills of West Virginia. Jennifer Garner, who received a Golden Globe for her performances on ABC's hit television drama "Alias," is a Charleston native. Chuck Yeager, who broke the sound barrier and has used his influence to promote scholarship and development opportunities for the State, was born in Myra. The mining town of Coalwood, in McDowell County is now world-renown as the home of Homer Hickam, best-selling author of Rocket Boys, upon which the award-winning 1999 motion picture "October Sky" was based.

In addition to celebrities, both historical and modern, West Virginia's elected leaders have brought vision and opportunity to our State. Most notable, Senator ROBERT C. BYRD, the "Big Daddy" of West Virginia politics, is the longest serving Senator in history and has secured billions of dollars for the future of our State. He remains a force to be reckoned with in the Senate with his longevity and leadership.

Home to an abundance of natural resources, West Virginia has helped feed and power our Nation. West Virginia's "Coal Keeps the Lights On." Our agricultural industry provides dairy, poultry, and feed crops for our State and beyond. The lumber industry makes use of the bountiful forests that cover 75 percent of our beautiful terrain.

Lastly the greatest gift and most precious resource our State has nurtured are West Virginians themselves—honest, hard-working people who are very the lifeblood of our State. Today West Virginians thank the Lord for our bountiful blessings, bound together in loyalty and love for our State as we remind ourselves that, yes—John Denver was right, West Virginia is truly almost Heaven.

Happy Birthday West Virginia.

HONORING THE CONTRIBUTIONS OF SENATOR JOHNNY ISAKSON

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. LEWIS of Georgia. Madam Speaker, today I rise to congratulate Senator JOHNNY ISAKSON as he honors our elders for their inspiration in our lives by honoring and remembering his own parents, Ed and Julia Isakson, at the 6th Annual Thanks Mom & Dad Celebration on June 20, 2008.

A loving son, Senator ISAKSON credits his parents for instilling in him his strong work ethic, his love of family and his respect for others. A good father in his own right, Senator ISAKSON's children credit him for teaching them through his example, not just words.

Senator ISAKSON has long championed the rights of older adults and supports programs and services that promote healthy living, employment services and other programs vital to both active and homebound older adults.

The Thanks Mom & Dad Fund® honors parents, grandparents and mentors by supporting programs and services for older adults, and each year asks someone in the community each year to honor their parents, grandparents or mentors. Senator ISAKSON was selected to honor his parents and is also being honored because he has inspired the lives of his children and so many others in the community.

I know well the power of his work in Georgia and here on Capitol Hill where he has demonstrated the ability to inspire members and staff alike to respond to the needs of the elderly.

I rise to honor Senator ISAKSON's contributions and to express may gratitude that he continues on in service on behalf of his constitutents.

HONORING IRENE MOORE

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19th, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Irene Moore of Saint Joseph, Missouri. Irene is a student at Benton High School and she has been chosen to receive the YWCA Women of Excellence Future Leader Award.

Irene is an academic leader who has challenged herself with rigorous classes and ranks in the top 10 percent. She is the editor and a chief writer of the school newspaper and was business manager for two years, as well as Vice President of her junior class and President of the senior class. Irene was one of the founding members of Students Everywhere Encourage Diversity (SEED), a group that promotes respect and tolerance among students. As a 3-year member of the Fellowship for Christian Athletes, she has helped the group grow to as many as 15 students. She is on the FCA Leadership Crew and often prepares the lesson for the meeting. Her school honors

include Citizen of the Quarter, National Honor Society, academic letter and pins, a drama award, and even Rookie of the Year for volleyball. Starting as a freshman, Irene joined activities such as volleyball, PTSA, choir, theater, JROTC, and peer helpers.

Her positive nature is cherished by her pastor: "As I have heard her speak in front of crowds at youth events and on mission trips to the Dominican Republic, I have heard her encourage many people, both her peers and the adults who work around her. She is a shining example of what teachers, leaders, and bosses want to have their students behave like. In many ways, she shows maturity beyond her years."

Madam Speaker, I proudly ask you to join me in recognizing Irene Moore. She is an outstanding member of our community and I wish her the best in her bright future. I am honored to represent her in the United States Congress.

ON THE PASSING OF BRYAN JOHNSTON

HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. HOOLEY. Madam Speaker, I rise today to celebrate the life of Bryan Johnston—a man the capital city's daily newspaper, the Statesman Journal, referred to as "Salem's Mr. Fixit." Bryan Johnston didn't just fill the needs of Salem, but of the entire state of Oregon as well.

He was, as the Statesman Journal so aptly put it, the "go-to guy": "Need someone to fill in as Willamette University president? Call on Bryan. Need someone to give a commencement address? Call on Bryan. Need someone to run a state agency? Call on Bryan. Need someone to lead a school bond-measure campaign? Call on Bryan. And much, much more."

Bryan's reason for getting up in the morning was to serve others: to raise a family; to love and support a wife; to bring his neighbors together; to achieve results; to help resolve issues and disputes.

Bryan had a deep and unabashed belief in public service.

He deeply believed that education was the key to a bright future. He was co-chair of the Salem Keizer School Construction Bond Steering Committee and the Pass the School Bond Committee. He knew that a family provided the backbone to a youngster's life and so worked for the Family Building Blocks Capital Campaign. He also knew that as a family served to nurture growing kids, so a community could serve to nurture local families. He served on the Salem Community Development Corporation and Chamber of Commerce as well as worked with Marion Polk Legal Aid and the Neighbor-to-Neighbor organization. Last, but certainly not least, Bryan Johnston's faith was important to him as was his service for his faith community.

Bryan knew how to work hard, work effectively, work with humor and work with warmth. He was kind at the right times and witty at other right times.

Mostly, I will remember Bryan for always looking forward and moving forward—no obstacle was too great and no odds were too long.

Bryan's passing comes as he was about to start his "dream job" as president of St. Martin's College outside Tacoma. But he did Oregon's "dream job" all along.

A poem by Hafiz that aptly describes Bryan's generosity:

Even after all this time
The sun never says to the earth,
"You owe me."
Look what happens with a love like that.
It lights up the whole world.

And Bryan lit up our world for his brief time in it—without expecting anything in return. We can all learn from Bryan's example and live to pay the debt forward.

He is survived by his wife of over 29 years, Anne, and their four children, and the thousands of Oregonians whose lives he touched through his service.

REGARDING THE INTRODUCTION OF H.R. 6298, TO RESTRICT NUCLEAR COOPERATION WITH THE KINGDOM OF SAUDI ARABIA

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. SHERMAN. Madam Speaker, I was proud to join as an original cosponsor of H.R. 6298, restricting nuclear cooperation with Saudi Arabia, authored by Congressman ED MARKEY of Massachusetts and Congresswoman ILEANA ROS-LEHTINEN of Florida. However, I do not believe Congress should permanently close the door on nuclear cooperation with any state, even a state that has large petro-carbon and other energy resources, provided that the country make, as part of any agreement providing for nuclear cooperation, permanent commitments that will enhance U.S. nonproliferation goals.

The Memorandum of Understanding between the United States and the Kingdom of Saudi Arabia regarding potential nuclear cooperation could lead to the transfer of nuclear technology from the United States without such commitments on the part of the Saudis, and would otherwise not advance our nonproliferation goals.

The restrictions on nuclear cooperation set forth in H.R 6298 can be modified by future legislation. Even after enactment, Congress should review any proposal by the Kingdom of Saudi Arabia for nuclear cooperation which contains unambiguous, permanent, enforceable and verifiable commitments by the Kingdom to prevent proliferation, including especially a binding commitment by the Kingdom of Saudi Arabia to never develop sensitive aspects of the nuclear fuel cycle.

Nuclear cooperation is an important aspect of commercial relations between countries, and Congress must more effectively exercise its Constitutional authority in this area. The current mechanism for Congressional review of nuclear cooperation agreements laid out in Section 123 of the Atomic Energy Act does not serve us well in that regard. Currently, the Administration may negotiate an agreement and put it into force simply by laying it before the Congress for 90 continuous session days. Congress, if it disapproves of a proposed "123 Agreement" would have to pass a resolution of disapproval, and would have to override a presumptive veto of such a resolution by a ⅔rds vote.

There is no reason for us to impose on Congress the requirement to achieve a supermajority in order to prevail in a dispute with the Executive Branch on an issue where Congress clearly has the Constitutional prerogative, namely international commerce (see Article 1, Section 8, Clause 3). 1 look forward to efforts to overhaul the Atomic Energy Act to require affirmative approval by Congress before a nuclear cooperation agreement can enter into force.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT OF 2008

SPEECH OF

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 2008

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 6063) to authorize the programs of the National Aeronautics and Space Administration, and for other purposes:

Mr. GENE GREEN of Texas. Madam Chairman, I rise today in support of the amendment to H.R. 6063 submitted by my good friend from Texas, Congressman NICK LAMPSON.

The Lampson amendment will enable NASA to meet its energy needs by clarifying language set forth in Section 526 of the Energy Independence and Security Act of 2007.

Section 526 prohibits Federal agencies from purchasing alternative or synthetic fuels for mobility-related use other than for research or testing, unless the purchase contract specifies that the lifecycle greenhouse gas emissions are less than that of conventional petroleum-based fuels.

The Lampson amendment will enable NASA to continue to contract for generally available fuels as long as the fuel is not predominately made from non-conventional sources. Without the certainty of this amendment, NASA may not have been able to procure fuels that may have been mixed with Canadian oil sands, no matter how small the mixture.

North American oil sands are vital to United States oil supplies. Oil sands represent approximately 5 percent of the total U.S. oil supply and are mixed in with fuel derived from other sources.

With the price of energy skyrocketing, our nation needs to diversify our fuel supplies, not restrict them. America should also encourage increased supplies of North American energy and decrease our dependence on oil from hostile countries.

I applaud Congressman LAMPSON's amendment and urge my colleagues from both sides of the aisle to support it. Thank you.

INTRODUCTION OF THE NON-NATIVE WILDLIFE INVASION PREVENTION ACT

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Ms. BORDALLO. Madam Speaker, today I have introduced a bill to protect the United

States from harm caused by invasive species. The bill, entitled the ''Nonnative Wildlife Invasion Prevention Act,'' constitutes a proactive approach to combating invasive wildlife species by preventing their entry at the border.

Currently there is no federal law prohibiting the importation of invasive species into the United States. Yet, nonnative plants and animals are known by scientists to have been introduced into ecosystems in all 50 States, the District of Columbia, and the territories. Invasive, nonnative species can harm the economy, human health, and the health of other animal species. Such harm ranges, for example, from depreciating farmland property values to the spreading of disease and loss of irrigation water. Additionally, collapse of buildings; competition with native animals; sport, game, and endangered species losses; habitat alteration; and other ecosystem disturbances; have resulted from the introduction of invasive species.

Scientists and economists estimate the cost of damages caused by invasive species in the United States to amount to over $123 billion annually. The risks associated with the introduction and establishment of invasive species, and the costs of mitigation, will continue to rise concomitantly with the expansion of trade and increased speed and frequency of travel. The sheer volume of cargo shipped and exchanged worldwide continues to increase, and many communities across the United States are experiencing growth in tourism and in their visitor industries. These factors are reason alone to develop protocols and a system for assessing the risk of all nonnative wildlife species that could be imported or introduced into the United States.

Preventing the introduction of invasive species is a significant challenge and priority for many communities across the country, including my district, Guam. Invasive species, for example, threaten the biodiversity and the ecology of the Florida Everglades, the Chesapeake Bay Watershed, and the Great Lakes, among other national environmental treasures in our country. On Guam, the brown tree snake has caused the extirpation of many native, endemic forest birds and lizards. The coqui tree frog and the coconut rhinoceros beetle are the latest species to have entered Guam. Although the brown tree snake was accidentally introduced through cargo shipments several decades ago. intentional introduction of invasive species today is something that can and should he controlled. The bill introduced today would protect citizens, the economy, and the environment from imported wildlife species that have the known potential to and that would likely harm our interests in the United States.

Absent a comprehensive federal law addressing the importation of nonnative species, the only is protection provided by the Lacey Act Amendments of 1981. This law authorizes the Secretary of the Interior to designate wildlife species considered ''injurious'' to humans and prohibit importation of such species into the country. The process, however, to designate a species as injurious can take four years on average, at which point in most cases harm has already been caused and realized.

The Nonnative Wildlife Invasion Prevention Act authorizes the establishment by regulation of a risk assessment process to control the importation of wildlife species. The bill adopts a preventative approach by requiring the Secretary of the Interior to develop with public notice and public input a ''green list'' of species allowed to be imported and a ''black list'' preventing invasive species from entering the country. Prior to approving a species to be imported, the Secretary must evaluate its potential risk to humans, other animal species, and environmental health. Any imports of ''black list'' species will be subject to penalties under the Lacey Act Amendments of 1981. The Secretary, however, may permit importation of an animal of such other prohibited species for educational, scientific research, or accredited zoological or aquarium display purposes. Finally, import fees will be collected to cover the costs of the risk assessment process.

I look forward to working with my colleagues on both sides of the aisle to advance this legislation and to strengthen the abilities of the federal government to more effectively manage and prevent the introduction and establishment of nonnative wildlife species.

HONORING CAROL ROEVER

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Carol Roever of St. Joseph, Missouri. Carol is active in the community through work and in her spare time and she has been chosen to receive the YWCA Woman of Excellence Award for Women in the Workplace.

As an Associate Professor at MWSU, Carol Roever sets high expectations for her students and supports them to achieve these goals. Her students have won awards in national contests and have been selected to present their research at international conferences in the U.S., Finland, Denmark, Germany and Italy. Developing a course to introduce students to international business, Carol has taken more than 135 students to seven countries to participate in business seminars, learn from corporate leaders, and experience cultural differences.

Beyond the classroom, Carol has directed the Department of Business internship program for a number of years, placing over 500 students in internships across the U.S. In addition, over the last seven years, Carol has presented 13 papers at regional, national and international conferences. She recently spent a semester as a visiting professor at Yeditepe University in Istanbul, Turkey. In 2006, she was selected as Chairperson for the Department of Business at MWSU. Her dedication to her students and her outstanding teaching have earned her national recognition from professional organizations. She has also received awards from MWSU that acknowledge the quality and significance of her work. Carol is an active volunteer in St. Joseph, having served on Heartland Health boards for more than 12 years, with two years as Medical Center Board President. This year she presented three communication workshops for women in the YWCA shelter.

Madam Speaker, I proudly ask you to join me in recognizing Carol Roever. She has made an amazing impact on countless individuals in the community. I am honored to represent her in the United States Congress.

IRAN AND NUCLEAR WEAPONS

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. UDALL of Colorado. Madam Speaker, it's clear that those leading the government of Iran are not friends of the United States or of our friends, including Israel. It would be folly to think otherwise.

So, we are right to be concerned about the possibility that Iran could obtain nuclear weapons, and we should take seriously the report from the International Atomic Energy Agency (IAEA) that the possibility of their developing them is ''a matter of serious concern.''

But I think a recent editorial in the Colorado Springs Gazette was right to remind us that while Iran's actions ''cannot help but arouse suspicion . . . This is hardly a reason to resume rattling sabers, as some Americans seem to desire'' and that in fact ''it may be a reason to take steps toward more direct talks with the theocratic regime.''

Because I think its points deserve consideration, I am attaching the complete editorial for the information of our colleagues:

[From the Gazette, Colorado Springs, June 5, 2008]

AN OPENING FOR IRAN TALKS?

The latest report from the International Atomic Energy Agency indicates that while there is still no solid evidence that Iran is actively developing nuclear weapons, the possibility is still ''a matter of serious concern.'' Iran is still playing cat-and-mouse with the IAEA in ways that cannot help but arouse suspicion.

This is hardly a reason to resume rattling sabers, as some Americans seem to desire. Indeed, it may be a reason to take steps toward more direct talks with the theocratic regime.

The fact that a rival to loose-lipped Iranian President Mahmoud Ahmadinejad was overwhelmingly elected as speaker of the Iranian parliament suggests that it might be a good time to take preliminary steps toward resuming the official contact between Iran and the United States. Ali Larijani, who has been critical of Ahmadinejad because of persistent inflation and other economic problems, won by a vote of 323–31.

It is unthinkable that Larijani rolled up this majority without backing from Iran's supreme religious leader, Ayatollah Khamenei, and the mullahs who really run the country. Most analysts interpret his victory as a signal that the mullahs are rethinking their support of Ahmadinejad.

If the United States is to remain involved in the region, it is wise to recognize that while Iran poses no direct threat to the United States, it is an important regional power. In such situations, as the Godfather understood, it is important to keep your friends close and your enemies closer.

A TRIBUTE TO SAM EVANS

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BRADY of Pennsylvania. Madam Speaker, I rise to honor a great Philadelphian and a great American, the late Sam Evans.

He had firsthand experience as a victim of oppression. His mother was born before abolition, and he witnessed five lynchings before

he turned 9 years old. But, he refused to live his life as a victim. His childhood under Jim Crow spurred an adulthood spent as a champion of justice. He led protests against American Nazism and discrimination of all kinds. He was jailed for his activities, but he never stopped standing up for his beliefs. He went on to organize and lead the 43,000 Philadelphians who joined Dr. Martin Luther King, Jr. at the 1963 March on Washington for Jobs and Freedom.

Mr. Evans founded and led the American Foundation for Negro Affairs and the multi-ethnic Family of Leaders. He was a visionary and champion of the right to a decent education, decent housing and justice for all.

But, more than anything, Sam Evans was a friend and a mentor to anyone who walked through his door. He never refused anyone who sought the benefit of his wisdom and experience. I spent many hours learning from him myself. I am proud to call myself a follower of Sam Evans.

Sam is resting now. I know that he and his beloved Edna are swapping stories about Retha and the grandkids, great-grandkids and great-great-grandkids. We will miss you, Sam. But, after 105 years of hard work on this Earth, we will never feel that you are gone.

PERSONAL EXPLANATION

HON. TED POE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. POE. Madam Speaker, due to other Congressional business, I unfortunately missed recorded votes on the House floor on Wednesday, June 18th.

I ask that the RECORD reflect that had I been able to vote that day, I would have voted "yea" on rollcall votes Nos. 419, 420, 421, and 422.

RECOGNIZING THE 2008 CONGRESSIONAL AWARD GOLD MEDAL RECIPIENTS FROM MISSISSIPPI

HON. TRAVIS W. CHILDERS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. CHILDERS. Madam Speaker, I rise today to recognize the recipients of the 2008 Congressional Award Gold Medal from the state of Mississippi. I had the honor of meeting them at this morning's ceremony and it is with tremendous pride that I announce that so many young Americans from the great state of Mississippi have achieved such a distinction. Countless hours of community service by these dedicated young adults has left a tremendous impact on local communities across the state.

It is my pleasure to recognize Michelle Jade Gourley of Mathiston, Mississippi, Laura Kay Owen of Saltillo, Mississippi, Brittany Simpson of New Albany, Mississippi, Iver O'Neal Vandiver II of Corinth, Mississippi, Nolan Webb of Water Valley, Mississippi, Jonathan Paul Whitlock of Iuka, Mississippi, Bradley Ragan Young of Corinth, Mississippi, Lynice Michelle Higgins of Hazlehurst, Mississippi, Thomas Chadwick Kazery of Jackson, Mississippi, Tiffany Holder of Starkville, Mississippi, Amanda Layton of Magee, Mississippi, Holly Webb of Forrest, Mississippi, and Kaylee Keith of Laurel, Mississippi as recipients of the 2008 Congressional Award Gold Medal.

On behalf of the state of Mississippi, I am honored to offer our deepest appreciation to these young men and women for their selfless acts of service and self-discipline.

HONORING REVEREND JAMES CHILDS

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 2008

Mr. HINCHEY. Madam Speaker, I rise today to honor the Reverend James Childs for a distinguished career in the ministry that has spanned 50 years. As Reverend Childs transitions from head pastor to his role as Senior Pastor of Pointe of Praise Family Life Center in Kingston New York, I would like to recognize and thank him for his tremendous leadership as one of our region's most respected and passionate men of faith. I also wish to congratulate him on the occasion of his 70th birthday, another significant milestone.

Raised by his grandparents, Jim graduated from Kingston High School and began his professional career with IBM. His drive, determination and unwavering faith helped him to advance from mail clerk to department manager. During the ensuing years, Jim served his country, married his lovely wife Dorothy, became a father, deepened his spirituality and found the strength to enroll in the Nyack Missionary College to pursue his devotion to God.

I have even had the distinct pleasure of watching as Reverend Childs has grown even beyond his eloquent sermons and commitment to ideals to become a man of action. His involvement in our community is extensive. He has worked tirelessly to address disparity in many segments of our society including housing, education, and healthcare. He has served on numerous boards and his ministries have assisted migrant workers, food pantries and the youth of our towns and neighborhoods. Reverend Childs has been a tremendous force, powered by his sense of deep commitment to being a living example of what he preaches.

Madam Speaker, I am delighted to congratulate Reverend Childs and his family on his 50 years in the ministry. I offer my very best wishes to him and his wife Dorothy as they begin this new chapter in their lives, along with my deep appreciation for his inspiration, dedication and hard work for the past 50 years. As the new Senior Pastor of Pointe of Praise Family Life Center, I am confident Reverend Childs will continue to contribute in many ways to the church and community as a whole.

IN MEMORY OF LANCE CORPORAL LAYTON BRADLY CRASS

HON. MIKE PENCE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. PENCE. Madam Speaker, I rise today to mourn the loss of a brave young Hoosier who served his country honorably in Iraq and Afghanistan. I was deeply saddened to learn of the loss of Lance Corporal Layton Bradly Crass of Richmond, Indiana, one of four Marines who perished in the wake of a roadside bombing in southwestern Afghanistan's Farah Province on Saturday, June 14, 2008.

Lance Cpl. Crass served in G Company, 2nd Battalion, 7th Marines, 1st Marine Division, 1st Marine Expeditionary Force, based in Twentynine Palms, California. He was serving in support of Operation Enduring Freedom in Afghanistan, where his unit was helping to train and mentor the Afghan national police.

The three Marine Corps values are honor, courage and commitment. They make up the bedrock of the character of each individual Marine. These values, handed down from generation to generation, have made the U.S. Marine Corps the most respected and revered fighting force on Earth. Lance Cpl. Crass personified these values and continued that proud tradition as a Rifleman who served his country bravely in combat.

In addition to the posthumous awards that he will receive because he died in the line of duty, Lance Cpl. Crass was the recipient of seven awards since he enlisted in the Marine Corps in June 2005. He earned ribbons for combat action and two sea service deployments, as well as campaign medals for Iraq and Afghanistan.

Madam Speaker, I extend my deepest condolences to the family and friends of Lance Cpl. Crass, and I wish to express my profound sadness to the community of Richmond, which is struggling to cope with the loss of a second young man in only a few short months. Just as Lance Cpl. Crass embodied the Marine motto—Semper Fidelis, "Always Faithful"—let us also be faithful to extend a helping hand to his family, friends and community, and remember them in our thoughts and prayers.

HONORING BECKY SNETHEN

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Becky Snethen of Saint Joseph, Missouri. Becky is active in the community through work and in her spare time and she has been chosen to receive the YWCA Women of Excellence Award for Woman in Support Services.

Becky Snethen may have started out as a part-time scorekeeper for a basketball league at InterServ, but 25 years later she is the Agency Administrative Assistant, in charge of Human Resources, and helps manage the youth programs while the director is on leave. She keeps the Executive Director and Youth Director organized and informed, and organizes trips for youth groups to travel all over

the world to participate in Olympic competitions. Becky coordinates large local sporting events including Summer Jam Basketball, two Olympic Trials held in the Civic Arena, and many national and regional weightlifting meets.

Even though her workload is tremendous, she finds time every day to be in the youth center and be available to anyone who wants to talk because helping youth is her passion. Becky's excellence at work earned her the InterServ Warren Metcalf Award as the most valuable agency employee. Also, she has been recognized as one of the "20 People Who Count" by the St. Joseph NewsPress. Becky is dedicated not only to helping her coworkers, but also to making sure the center can be as helpful as possible to the community. She opened the building during a snow storm, shoveled the walks, works late, works evenings, comes in on weekends, and always assists with any event that is going on agency-wide.

Madam Speaker, I proudly ask you to join me in recognizing Becky Snethen. She has made an amazing impact on countless individuals in the St. Joseph Community. I am honored to represent her in the United States Congress.

HONORING THE LIFE AND LEGACY OF ANNE CLARK MARTINDELL

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. HOLT. Madam Speaker, I rise today to pay tribute to Anne Clark Martindell, former American Ambassador to New Zealand and New Jersey State Senator, who died last week at the age of 93. Her lifetime of public service is worth honoring here, because she was not only an outstanding public servant, a generous benefactor of good causes, and a talented and gracious woman, but she proved that it's never too late to show your mettle, to be your best self and to use your ability and drive to make the world a better place.

Born into a family of means in 1914, Anne Clark lived a comfortable and sheltered life. She attended private schools and entered Smith College in 1932. She took to higher education immediately and decided that she would go on to law school. When she told this to her father, who by the way was a prominent attorney who later became a Federal Judge, he demanded that she leave school, because "no man would want to marry an educated woman"!

Anne returned to Princeton, married George C. Scott, Jr. shortly thereafter and the couple had a daughter and two sons. This marriage ended in divorce and she later married Jackson Martindell, publisher of Who's Who. This marriage produced another son, Roger Martindell, who carries on the tradition of community service as a member of the Princeton Borough governing body, and is my friend and neighbor.

The dormant seed of her desire to make a difference, to do more, to participate in the betterment of the community, came alive—was fertilized—by her strong opposition to the conditions surrounding our involvement in the Vietnam War. When Anne Martindell's brother, the journalist Blair Clark, become Eugene McCarthy's campaign manager in 1968, she began to raise money for the campaign in New Jersey and was selected as a delegate to the tumultuous 1968 Democratic Convention in Chicago.

Anne Martindell liked to say she never did anything real until she was in her 50's. She was 54 years of age when she began her political career. On her return home from the convention, where she had been recognized as one with the ability to clearly articulate her strong opinions and to fearlessly champion what was, at that convention an unpopular point of view, she was asked to serve as Vice Chair of the New Jersey Democratic State Committee.

The (always) female Vice Chair of the party was considered at that time a mere figurehead, but that was not Anne Martindell's style. She is legendary for having arrived at a meeting of the male power brokers where she was told she wasn't welcome, because they used salty language that she wouldn't like. "I don't give a blank (here insert your favorite 4 letter word) what kind of language you use", she said, "I'm coming in."

Anne Martindell was asked to run for State Senate in 1973, in what had been traditionally a Republican district. She won the election, making her one of the first women to serve in New Jersey's upper house.

It was a very different world when Anne Martindell went to the New Jersey legislature (an example of which was that women were so little thought of in the Legislature, that there still were only men's rooms in both Chambers and caucus rooms—the women legislators used the public facilities). Although fathers did not still think higher education would spoil their daughters' chances at marriage, there was still a lot to be done to support and increase women's participation in community life. She worked on primarily women's issues, education, and the environment. She served as Chair of the Education Committee and a member of the powerful Appropriations Committee. As Chair of the Budget Subcommittee for Higher Education, she sponsored a law to increase loans for higher education. She wanted to make it more available to those who didn't have the means, but had the desire and thirst for more learning. She understood that very well.

She also continued to show her feisty side by introducing a resolution stating that it was the sense of the New Jersey Senate that enough evidence was available to institute impeachment of the President and that Congress ought to get on with it.

She was a Carter delegate to the 1976 Democratic National Convention and campaigned vigorously for him in New Jersey. After his election, she left her Senate seat and became director of the Office of Foreign Disaster Assistance (OFDA), part of the State Department's Agency for International Development. In 1979 she was nominated for the ambassadorship to New Zealand and Western Samoa and served in that capacity until 1981.

She was the first female ambassador to New Zealand and once again ran into some resistance, but her political instincts, coupled with grace and charm, endeared her to the people and she in turn treated them with respect and affection. It was in New Zealand that she met the man she called "the love of my life"—the New Zealand painter Sir Tosswell Wollaston and they remained close until his death in 1998.

Last year, at the age of 92, she returned to Auckland, New Zealand to attend a meeting of the Partnership Forum and was greeted with great warmth. The American Ambassador in New Zealand has hailed her this week as one whose legacy as Ambassador lives on in the hearts of the people.

But then, Anne Martindell was always doing extraordinary things. And she didn't like to leave things undone. So it was no surprise to her friends when a decade ago she re-enrolled at Smith College, attended classes, studied with students who could have been her great-grandchildren, and graduated in 2002 at the age of 87. In honor of her outstanding life and work, she got her undergraduate degree along with an Honorary Doctor of Laws degree. Poetic justice, don't you think?

Annie Martindell is mourned by her family: daughter, Margery Luther of Ann Arbor Michigan, sons, George C. Scott III of Richmond, Virginia; David C. Scott of Princeton, and Roger Martindell, 9 grandchildren, 6 great grandchildren and a brother, J. William Clark of Great Barrington Massachusetts. She is also mourned by her many friends in Princeton, and throughout New Jersey, and across the broad swath of lives she has touched.

Anne Martindell was on a book signing tour for her new book—the appropriate title of which is Never Too Late—when she was stricken with her last illness. It breaks my heart to think she will never get a chance to autograph my copy. I will miss her phone calls with good advice, her strong opinions on current events, and her ease of friendship. Anne Clark Martindell has taught us all a valuable lesson about opportunities and readiness to recognize a call to action whenever it appears in our lives. And it is never too late to take that message to heart.

CONGRATULATIONS TO THE ALVIN LADY JACKETS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. PAUL. Madam Speaker, I am pleased to congratulate the Alvin Lady Jackets softball team on becoming the first fourth seed softball team in Texas history to win the University Interscholastic League Championship.

One factor behind the Lady Jackets success was head coach Carla Newsom's determination to make sure her team found the silver lining in every seemingly dark cloud. For example, when the Lady Jackets lost the first game of a best of three series in the regional semi-final, Coach Newsom told the team to be thankful for the loss for two reasons. First, they could now wear their "dress white" uniforms in the next games: and second, and most importantly, they no longer had to eat spaghetti with meatballs for their pre-game meal.

The team adopted the Journey song "Don't Stop Believing" as their anthem. The girls sang the song before, during, and after the games throughout the playoffs. On the night of the final game for the State Championship, the first game of the evening lasted 15 long innings, delaying the start of the Lady Jackets' game by almost two hours. As they were waiting in their dugout for their time, the Lady

Jackets kept their sprits up by singing their anthem, much to the joy of their loyal fans who heard ''Don't Stop Believing'' resonating from the dugout.

Lady Jacket Amber Anderson was awarded the MVP award of the State tournament; was named the Texas High School Softball Player of the Year and was one of two Lady Jacket players, along with Alexis Joseph, named Texas Girls Coaches Association all State player of the year. Coach Newsom was named Texas Girls Coaches Association Coach of the Year 2008.

All graduating seniors on the Lady Jackets team are planning to continue their involvement in organized softball at the collegiate level. Madam Speaker, I again extend my congratulations to the players and coaches of the Lady Jackets and insert the Lady Jackets championship roster into the CONGRESSIONAL RECORD.

2008 ALVIN LADY JACKETS

Jessica Savage, Amber Anderson, Vanessa Eng, Alexis Joseph, Tiffany Denham, Britni Wells, Kelsey Nichols, Megan Potts, Natalie Farias, Kelsi Kettler.

Megan Knippa, Meghan Gomez, Megan Garza, Amber Brooks, Adela Gomez, Maci Meyer, Nicole Powers, Lauren Denny, Alicia Smith.

Head Coach: Carla Newsom; varsity assistant: Kelly Bembry; assistant coaches: Jennifer Dominguez, Paula Tafelski; trainer: Eric Nuncio; manager: Brady Hudson.

Athletic Director: Mike Bass; Alvin High School Principal: Kevon Wells; Superintendent: Dr. Robby McGowen.

INTRODUCTION OF THE 21ST CENTURY COMMUNICATIONS AND VIDEO ACCESSIBILITY ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. MARKEY. Madam Speaker, I rise today to introduce the 21st Century Communications and Video Accessibility Act, along with my colleague Representative HEATHER WILSON (R–NM). Madam Speaker, telecommunications technologies have a proven ability to empower individuals with the necessary tools of the information age. These technological tools can animate the personal use of communications for work or enjoyment, but also impact health care delivery, educational opportunities, the prospects for employment, and job creation. The goal of the legislation is to establish new safeguards for disability access to ensure that people with disabilities are not left behind as technology changes and the United States migrates to the next generation of Internet-based and digital communication technologies.

As the story in today's Washington Post business section makes clear, the practical effect and use of many innovative services and high tech equipment in the marketplace can be diminished or eliminated for individuals with disabilities if accessibility isn't built-in, or factored into the design, of the product or service. This keeps the promise of the information age as just that—a promise. And it often means that to obtain accessible equipment, individuals with disabilities must pay significantly, and in many cases needlessly, more than if standards and accessibility were built in or adopted earlier in the design process. The provisions of this bill will help to ensure that such accessibility is factored in and manufactured into products and services as a matter of course, which also will have the effect of reducing costs to consumers who rely on such services and products.

In summary, here is what the bill we are introducing today aims to do. First, Section 102 of the bill extends the Federal law that currently requires hearing aid compatibility on newly-manufactured and imported telephones, to comparable equipment used to provide IP-enabled communication service. The purpose of this section is to make sure that people with hearing loss have access to telephone devices used with advanced technologies, including cell phones or any other handsets used for Internet-based voice communications. (This section is not intended to extend to headsets or headphones used with computers.)

Section 103 of the bill, addressing relay services, clarifies that telecommunications relay services (TRS) are intended to ensure that people who have hearing or speech disabilities can use relay services to engage in functionally equivalent telephone communication with all other people, not just people without a hearing or speech disability. It revises Section 225 of the Communications Act of 1934, which has been interpreted at times (by the FCC) to authorize only relay services between people with disabilities and people without disabilities. This section also expands the relay service obligation to contribute to the Telecommunications Relay Services Fund to all providers of IP-enabled communication services that provide voice communication.

Sec. 104 of the legislation, designed to address access to Internet-based services and equipment, builds upon authority contained in Section 255 of the Communications Act of 1934, which generally requires telecommunications service providers, as well as interconnected VoIP providers and manufacturers, to make their services and equipment accessible to and usable by people with disabilities. This section creates new safeguards for Internet-based communications technologies (equipment, services and networks) to be accessible by people with disabilities, unless doing so would result in an undue burden. Where an undue burden would result, manufacturers and providers must make their equipment and services compatible with specialized equipment and services typically used by people with disabilities. (The term ''undue burden'' has the same meaning given it in the Americans with Disabilities Act.)

In addition, this section also contains measures to improve the accountability and enforcement of disability safeguards under Section 255 and the new Section 255A, including directives for new FCC complaint procedures, reporting obligations for industry and the FCC, the creation of a clearinghouse of information on accessible products and services by the U.S. Access Board and National Telecommunications and Information Administration (NTIA), and directives for enhanced outreach and education by the FCC and NTIA.

Sec. 104 also clarifies that the transmission and receipt of text messages sent by radio to and from mobile wireless devices are telecommunications services, and therefore must comply with the accessibility obligations under Section 255 and the new accountability measures under Section 255B.

The bill also contains a modest section on universal service. This provision makes consumers with disabilities—as a distinct group—eligible to receive universal service support through two specific measures. First, it grants the FCC authority to designate broadband services needed for ''phone communication'' by people with disabilities as services eligible to receive support under the existing Lifeline and Linkup universal service programs. For example, this would include deaf individuals who are otherwise eligible for Lifeline and Linkup support, but who rely on Internet-based video relay services or point-to-point video for their telephone communications. Second, it grants authority to the FCC to designate programs that distribute specialized equipment used to make telecommunications and Internet-enabled communication services accessible to individuals who are deaf-blind, as eligible for universal service support. Such support, however, is capped at $10 million per year.

Section 106 of the bill contains a specific requirement for real-time text support, to ensure that people with disabilities, especially individuals who are deaf or hard of hearing or who have a speech disability, are able to communicate with others via text in an IP environment with the same reliability and interoperability as they receive via the public telephone network when using TTYs. A primary goal of this section is to ensure that individuals who rely on text to communicate have equal access to emergency services during and after the migration to a national IP-enabled emergency network.

Section 201 of the legislation directs the FCC to conduct three inquiries within 6 months of passage of the Act, and to report to Congress on the results of such inquiries within 1 year: (1) to identify formats and software needed to transmit, receive and display closed captioning and video programming provided via Internet-enabled services and digital wireless services, including ways to transmit televised emergency information that is accessible to people who are blind or visually impaired; and (2) to identify ways to make user interfaces (controls—e.g., turning these devices on and off, controlling volume and select programming) on television and other video programming devices—including the receipt, display, navigation and selection of programming—accessible to people who are blind or visually impaired, and (3) to identify ways to make video programming guides and menus (typically on-screen) accessible in real-time to people who cannot read those guides or menus.

Section 202 expands the scope of devices that must display closed captions under the Television Decoder Circuitry Act of 1990 from the present requirement of television sets with screens that are 13 inches or larger, to all video devices that receive or display video programming transmitted simultaneously with sound, including those that can receive or display programming carried over the Internet. The section also requires these devices to be able to transmit and deliver video descriptions. Video description is the provision of verbal descriptions of the on-screen visual elements of a show provided during natural pauses in dialogue.

The next section of the bill addresses video description and closed captioning. Section 203 reinstates the FCC's modest regulations on

video description. Those rules, originally promulgated in 2001, were struck down by a U.S. Court of Appeals for lack of FCC authority. This section also authorizes the FCC to promulgate additional rules to (1) ensure that video description services can be transmitted and provided over digital TV technologies, (2) require non-visual access to on-screen emergency warnings and similar televised information and (3) increase the amount of video description required. Finally, this section adds a definition for video programming to include programming distributed over the Internet to make clear that the existing closed captioning obligations (and future video description obligations) contained in Section 713 apply to video programming that is distributed or re-distributed over the Internet.

This section is also intended to ensure the continued accessibility of video programming to Americans with disabilities, as this programming migrates to the Internet. It further tasks the FCC to create captioning rules for three types of programming: (1) pre-produced programming that was previously captioned for television viewing, (2) live video programming, and (3) programming (first published or exhibited after the effective date of the FCC's regulations) provided by or generally considered to be comparable to programming provided by multichannel programming distributors.

Section 204 requires devices used to receive or display video programming, including devices used to receive and display Internet-based video programming, to be accessible by people with disabilities so that such individuals are able to access all functions of such devices (such as turning these devices on and off, controlling volume and select programming). The section contains requirements for (1) audio output where on-screen text menus are used to control video programming functions, and (2) a conspicuous means of accessing closed captioning and video description, including a button on remote controls and first level access to these accessibility features when made available through on-screen menus. The final section of the legislation requires multichannel video programming distributors to make their navigational programming guides accessible to people who cannot read the visual display, so that these individuals can make program selections.

Madam Speaker, I look forward to working with all of my House colleagues on this important legislative initiative in the coming weeks.

HONORING PAMELA SONNENMOSER

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Pamela Sonnenmoser of Northwest Missouri. Pamela is active in the community through work and in her spare time and she has been chosen to receive the YWCA Women of Excellence Award for Emerging Leader.

Pamela Sonnemoser is a multi-talented individual as a floral designer, artist, journalist, and public speaker. She is also reaching out with Christian love and the desire to enrich the lives of others. Whether through daily inspirational radio messages on our St. Joseph Christian radio or by speaking at retreats or seminars, she focuses on spiritual and/or personal and professional development of women. As a Certified Personality Trainer, Pamela helps women improve relationships with family, friends and coworkers and find their niche in the workplace by learning and developing the strengths of their temperament. Pamela is a contributing author to three books in the Christian non-fiction genre.

Her talents to train and guide others have been further recognized by her appointment to the training faculty of the Christian Leaders Authors and Speakers Services (CLASS). Her volunteer efforts include being a staff member at God's Mountain Youth Camp, speaking for church groups at no cost, organizing teen groups to feed the hungry of the inner city, and teaching creative writing workshops on poetry at the Atchison Public Library for home school groups.

Madam Speaker, I proudly ask you to join me in recognizing Pamela Sonnenmoser. She has made an amazing impact on countless individuals in her community. I am honored to represent her in the United States Congress.

STATEMENT CONCERNING THE VOTE ON HOUSE AMENDMENTS TO THE SENATE-PASSED VERSION OF H.R. 2642, THE SUPPLEMENTAL APPROPRIATIONS BILL

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. SHERMAN. Mr. Speaker, I voted for a provision that would provide funds for Iraq and Afghanistan when, under the rules governing the legislation, that funding would be tied with a specific mandate for an orderly redeployment of troops from Iraq.

Today, June 19th, I voted against providing funds for the conduct of the war in Iraq and Afghanistan when such funding was not linked to such a mandate.

HONORING THE MEMORY OF NORTH CAROLINA STATE TROOPER DAVID SHAWN BLANTON, JR.

HON. HEATH SHULER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. SHULER. Madam Speaker, I rise today with a heavy heart to honor the memory of North Carolina State Trooper David Shawn Blanton, Jr. Trooper Blanton was a 2-year veteran of the North Carolina State Patrol and a member of the Eastern Band of Cherokee Indians.

While performing a traffic stop in Canton, NC, on the evening of June 17th, 2008, Trooper Blanton was shot twice and killed in the line of duty. He was 24 years old.

Trooper Blanton gave the ultimate sacrifice to serve and protect our community. He showed true courage through his determination to uphold the law and keep our highways safe. He leaves behind his wife and one child. I offer my sincere condolences to them and the rest of his family and friends. They are in my thoughts and prayers.

I would also like to offer my gratitude to the law enforcement officers of the Haywood County Sheriffs Office and the Canton Police Department who risked their lives to apprehend the man who shot Trooper Blanton and bring him to justice.

Madam Speaker, I ask my colleagues to join me in expressing remorse at to the passing of Trooper David Shawn Blanton, Jr. Trooper Blantons' life was an example of service for all of us to follow. I am grateful to his fellow State Troopers and all of North Carolina's law enforcement community for their dedication to keeping our communities safe every day.

COMMEMORATING JUNETEENTH

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. HASTINGS of Florida. Madam Speaker, I rise today to celebrate and recognize Juneteenth as a pivotal moment in our nation's history when the last American slaves learned of their freedom and the legal practice of slavery in the United States officially ended.

On June 19, 1865, Union General Gordon Granger arrived with over 2,000 troops on Galveston Island to deliver the news of freedom and enforce the two-year-old Emancipation Proclamation. The news came in the aftermath of the deadliest war in American history and a nation fractured by loss and resentment. However, in the midst of social and political turmoil, a new opportunity for all people to share the quintessential American experience of freedom emerged. 90 years after gaining independence, our young nation took a crucial step toward finally ensuring that the value of freedom was not simply rhetorical, but a right to be given to all Americans.

Sadly, the legal abolishment of slavery has not guaranteed the legal abolishment of inequality and unequal representation. As we all know, it would be another century before African Americans were given the same rights as white Americans.

In the years after emancipation and Jim Crow, the United States has made serious improvements in drafting and implementing laws and policies that encourage equality. However, serious economic, health and educational disparities persist for many in the black community and other communities of color. These inequities threaten to exacerbate the division between those who have and those who do not.

Today, we are confronted with two contrasting images of black America that are really two sides of the same coin. The countless sacrifices and efforts of previous generations have made it possible for blacks and other minority groups to excel and break boundaries from our nation's classrooms to the space program. And, for the first time in our history, the idea of a black president is not simply a fantastic dream, but a serious hope and possibility.

Yet, in this same land and era of opportunity, black people across the socioeconomic spectrum have a lower life expectancy, higher instances of heart disease, greater rates of infant mortality and hypertension, and receive

overall inferior healthcare compared to whites. What's more, blacks are more likely to fall victim to a justice system that prioritizes punitive criminalization over rehabilitation. Our children are victims of inadequate educational systems and African Americans receive lower incomes than others in our country with similar experience. Lastly, HIV/AIDS, a disease that has taken the lives of millions of men, women and children around the world is most rampant in the black community with the majority of new infections occurring in young African American women.

So while America takes time to commemorate this historic day, we must also recognize that there is much more to be done both here and abroad. African Americans in this country know first hand the travesties of slavery. As such, we must lead the way for others to achieve their own freedom.

According to the International Labor Organization, between 12 and 27 million people are the victims of forced labor worldwide. The majority of these men, women and children come from the poor and rural parts of countries that are in the midst of war, unstable economies, and political conflict. Whether forcibly removed or lured by false promises of opportunity, millions of the most desperate and vulnerable populations of the world are forced to work without pay in the agricultural, textile, service and sex industries under the constant threat of violence or death.

Haiti was once hailed as one of the most profitable colonies in the Caribbean and was the first black led republic in modern history. Home to the most successful African slave rebellions in the Western Hemisphere, Haiti is now the poorest country in the Western hemisphere and is plagued by poverty, political unrest, hunger, disease and violence. Now, more than two hundred years after Haiti was declared a free republic, between 90,000 and 300,000 Haitian children alone are trafficked into areas where they are forced into slavery. Even right here in the U.S., despite our system of laws, an estimated 20,000 people are trafficked into our country from all over the world to provide unpaid labor and services.

The fact that our brothers and sisters to the south are enduring such conditions is unconscionable. We must support Haitians in their attempt to achieve sustainable development and restore dignity and socioeconomic stability to their proud nation. As the leader of the free world, we can and must do better to stop this and other injustices.

Historian and Columbia Professor, Manning Marable wrote, ''Historical amnesia blocks the construction of potentially successful social movements.'' As we continue to fight for equality and justice in our communities and in Congress, we have a responsibility to ensure that our nation, particularly our young people, do not fall victim to historical amnesia.

Because so many years have passed, many forget or dismiss the role that slavery and the fight for emancipation and racial equality played in constructing the social fabric of this country. Thankfully, this problem is entirely remediable, and we can engender a new commitment to understanding our past to build a better future.

Madam Speaker, as we celebrate Juneteenth, I urge my colleagues in Congress to join me in reflecting on how our country has evolved into a nation that understands the importance of protecting the rights, liberties and privileges of all people. America has bettered itself by improving the lives of its citizens and people in the rest of the world. It is imperative that we continue our uniquely American tradition of fighting for equality and justice in our country and abroad.

HONORING BARBARA IDE

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize Barbara Ide of Saint Joseph, Missouri. Barbara has been chosen to receive the St. Joseph YWCA Women of Excellence Lifetime Achievement Award.

In 1969, Barbara Ide became involved in historic preservation to preserve the cityscape of St. Joseph. Among the many buildings she helped preserve were downtown St. Joseph's crown jewel—the Buchanan County Court House, the city founder's Robidoux Row, Patee Hall, Warehouse Row, and the Hall Street Historic District. Barbara first became involved in historic preservation when St. Joseph's Federal urban renewal program proposed demolishing over half of the historic downtown. The National Trust for Historic Preservation took notice of Barbara's efforts and in the early 1970s invited her to address its National Convention to present preservation lessons learned in St. Joseph. Her speech was later reprinted in a National Trust's publication.

After purchasing Robidoux Row, she developed and chaired the highly successful Robidoux Festival which ran for several years. As a founding board member and the first president of the not-for-profit St. Joseph Preservation, Inc., she established a revolving fund through historic property donations and attracted a membership of over 200.

In addition to preserving the historic cityscape of St. Joseph, Barbara has contributed to the city's social fabric. Moving to St. Joseph in 1948, she became an integral part of the community leading by example. Over the years, Barbara has served as an active member (often on the board or as president) of numerous organizations like the Runcie Club, PEO, St. Joseph Historical Society, the First Presbyterian Church, Questors, and the Junior League.

Madam Speaker, I proudly ask you to join me in recognizing Barbara Ide. She has come to be one of the most outstanding members of our community and I am honored to represent her in the United States Congress.

TRIBUTE TO AIR FORCE CHIEF OF STAFF GENERAL MICHAEL T. MOSELEY

HON. ROB BISHOP

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. BISHOP of Utah. Madam Speaker, I rise this evening to express my appreciation to a fine public servant and military officer, former Air Force Chief of Staff General Michael T. Moseley who recently resigned on orders from the Secretary of Defense.

There are a few lingering questions regarding the scope and unfortunate timing of this unprecedented decision to dismiss both top Air Force leaders at the same time only days before the Government Accountability Office (GAO) was scheduled to issue its decision in the hotly contested $40 billion tanker program. The dismissals also come during a time of war and great stresses on Air Force personnel. No one will argue that it is not within Secretary Gates' authority to take that drastic and unprecedented action even if some of us question whether or not it was really the right thing to do given the totality of circumstances. Every military and civilian officer knows that they serve at the pleasure of the President and that they stand to be dismissed for any reason whatsoever. As professional leaders, General Moseley and former Secretary Wynne accepted that fact.

Unfortunately, the entire record of their decades of public service, notable achievements, and personal sacrifices for our country, are at risk of being lost or pushed aside due to media focus of these recent headline-grabbing events. And I regret that a handful of individuals, including Members of Congress, may be tempted to seize upon Secretary Gates' action to somehow legitimize unrelated claims in areas of disagreement with these two Air Force leaders. That would be patently unfair and unjust, and I feel an obligation to remind us all of a few points.

With particular regard to General Michael T. Moseley, it would he hard to find a more competent and experienced Air Force Chief since the service's inception over 60 years ago. Having entered the Air Force in 1971, he rose quickly through the ranks and his competency as a top F–15 pilot led him to command responsibilities at the U.S. Air Force Fighter Weapons School. In addition to other command responsibilities in different parts of the world, General Moseley served as the combat Director of Operations for Joint Task Force-Southwest Asia. Like no other Air Force Chief in a generation, General Moseley demonstrated that he knew how to command air power during combat operations. Between 2001 and 2004, he served in combat, having commanded coalition air forces in Afghanistan and Iraq that employed greater precision and air-ground coordination than ever before. With advanced post graduate degrees as well, he is regarded by many as a military scholar and historian, which has given him a level of rounded perspective that has benefited the Air Force.

He served as both Vice-Chief and Chief of the Air Force during very tumultuous times in the Air Force. He became Vice Chief in 2004, and confronted with extremely challenging budget and personnel cuts posed by the Quadrennial Defense Review (QDR), and still additional cuts mandated by the Administration, General Moseley helped to steer the Air Force through some very tough times. In so doing, and to his great credit, he always put the airmen and their families first. He recognized that our Nation unwisely took a ''holiday from history'' in the 1990s by delaying and deferring aircraft modernization, and as a result, our pilots are having to fly aircraft that are on average nearly 40 years old. We have F–15's literally flying apart in the air due to age and corrosion. We have F–16s that are nearing the end of their service-life. We have 40-year-old tankers, and 50-year-old bombers.

We have third-world nations that are fielding fighters that are, or soon will be—peers to our fourth-generation fighters. At the same time, our Administration has not been as committed to recapitalizing our fighter fleet with the F–22 and F–35 in the numbers necessary to meet validated military requirements as it should be. The Nation has taken for granted our traditional air superiority. General Moseley was right to have pointed out these vulnerabilities.

We never know in advance where our next adversary will spring from and what the origins of conflict will be. We must be prepared and strong across the full spectrum of air based threats, from both asymmetric threats and resurgent adversarial nations. General Moseley understood this very well.

Even as military operations continue in Iraq and Afghanistan, the Air Force is called upon around-the-clock to undertake combat operations, and targeted air strikes, or to fly troops and cargo in and out of theatre, or provide intelligence platforms, and the list goes on and on.

Our ground forces have come to rely on our United States Air Force mainly because—they're so capable! That's no accident. General Moseley understood this, because he was there, actually commanding airmen in fighting operations!

It's because of visionary leaders like General Moseley that the Air Force is reliable. It takes almost 20 years to develop, test and field a new advanced weapons system like the F–22 and F–35. If we take more ''holidays from history,'' then we leave our Nation and future generations at great risk of falling behind the technology curve.

In 1938, U.S. defense planners considered the venerable P–51 (Mustang) fighter aircraft too insignificant for full funding and production to replace the more vulnerable P–38 Lightning aircraft. Once World War II was underway, it took the U.S. a few years to ramp-up production of the P–51 in sufficient numbers so that it could be useful in Europe to establish air superiority against the Germans. Back then, we were able to recover the shortfall over a few years' time. In these modern times with technology development increasing at exponential rates throughout many third-world and hostile nations, we no longer have that luxury.

Just like we're learning with the sky-rocketing costs of oil and gasoline—even if we were to immediately increase U.S. domestic production of oil resources, you can't just turn the spigot on tomorrow and have the oil flow. It takes years to do that, just as it does in the weapons procurement world. General Moseley understood this and was it forceful and persuasive advocate for modernization. This advocacy is something which, though he was absolutely correct on the facts and merits—earned him criticism when he should have found support.

General Moseley was also forward-thinking in recognizing the seriousness of the military and national security implications posed by the growing cyber security threat. His leadership resulted in the launching of the Air Force's Cyber command initiative. More than any other military department or agency of the federal government, Moseley did more than just wring his hands about the threat. He took concrete actions to demonstrate that he recognized its seriousness. He should be commended for that vision. He oversaw the dramatically-successful and historic deployment of Unmanned Aerial Vehicles (UAVs) in combat, and also instituted training to help instill a ''warrior ethos'' through training in hand-to-hand combat, survival and evasion skills required by the types of conflicts demonstrated in Iraq and Afghanistan.

I am proud of General Moseley—that his sense of responsibility to the Air Force's overall mission led him to voice legitimate concerns on matters like the serious deficiencies in Aircraft Modernization with Congress, even at risk of his career. To me, that is real integrity. When we have hearings on the Armed Services Committee, what we're after is the real truth—unvarnished and unblinking. We're not looking for the sanitized version of the truth.

The Secretary of Defense cited a failure of leadership within the Air Force with regard to its nuclear mission. Those are, indeed, serious charges and certainly corrections within the Air Force as to procedures must continue to be made. But I want to point out that many of the systemic problems in the nuclear area mentioned in the Admiral's report are not General Moseley or Secretary Wynne's fault. The Department of Defense and the Administration share in the responsibility for the impacts of both Budget cuts and BRAC mandated targets of the past. Those cuts clearly de-funded and de-emphasized nuclear matters. Cuts in the ICBM modernization budgets and programs that were not necessarily the Air Force's preferred choice have also taken a toll in these recent incidents, and those budget cut impacts must also he acknowledged and corrected by this and future Secretaries if we are truly going to address shortfalls in nuclear surety matters. I know first-hand because during my six years in Congress, I have had to request that funding be added to the budget to cover documented shortfalls in Minuteman III modernization programs.

In conclusion, Madam Speaker, I want to conclude by thanking General Michael Moseley and Secretary Mike Wynne for their dedicated public service to our nation and our fighting men and women. From where I sit as a Member of the Armed Services Committee, I believe that both of these Air Force leaders can hold their heads high. I believe they are men of great personal integrity. I wish them both well in their future endeavors.

RECOGNIZING JUNETEENTH INDEPENDENCE DAY

SPEECH OF

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 17, 2008

Mr. HOLT. Madam Speaker, I rise today as a cosponsor of H. Res. 1237, a resolution recognizing the importance of the Juneteenth anniversary celebrations held nationwide on June 19th. On that date 145 years ago, Union forces led by General Gordon Granger arrived at Galveston, Texas, bringing news of the Confederate surrender and enforcing, after two-and-half long years, the Emancipation Proclamation. Americans across the country commemorate this day with celebrations, discussions, and family picnics. In my own state of New Jersey, Juneteenth is celebrated at churches, community centers, and family gatherings across the state. This day marks a time for people to come together, enjoy the company of friends and family, and reflect on the past. It is a time of somber tribute to the struggles of slavery conjoined with a cheerful and celebratory attitude towards the future and the opportunities afforded by that great proclamation.

I strongly support H. Res. 1237, which recognizes the significance of the Juneteenth anniversary and proclaims the sense of Congress that history should be regarded as a means for understanding the past and solving the challenges of the future. I rise to honor the celebration, and to honor the myriad contributions that African-Americans have made to American society and culture in the years before and since. African-Americans have honored this country with their service and dedication as inventors, teachers, artists, musicians, first responders, soldiers, doctors, and statesmen and countless other professions. They rose from the bonds of servitude and yet, facing discrimination at every step, have continued to persevere. The longevity of the Juneteenth celebration is an enduring testament to the strength of these Americans in the face of tremendous adversity and bears witness to the virtue of celebrating diversity.

I must also rise today to recognize the obstacles that still face us. Juneteenth evokes reflection on a dark chapter in our Nation's history, and reinforces that which we already know: the struggle for equality is far from over. The joyous celebration of the emancipation of the slaves of Galveston, followed by decades of inequality under Jim Crow, serves to remind us all of the need to remain committed to our original principles and the belief in liberty and justice for all. While our history has at times failed to live up to these founding ideals, it is important that we remember our past. So that we may better ourselves and our country, we must bear closely the lessons of history as we strive for progress.

Today, Juneteenth is the longest-running celebration of the end of slavery in the United States. Its durability alone illustrates its significance. For that reason, Madam Speaker, and for all the reasons above, I hope that my colleagues will join me in supporting H. Res. 1237.

HONORING CBIZ INSURANCE SERVICES

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 2008

Mr. GRAVES. Madam Speaker, I proudly pause to recognize CBIZ Insurance Services, Inc. of St. Joseph, Missouri. This business has been chosen to receive the YWCA Women of Excellence Award for Employer of Excellence.

CBIZ has been giving back to St. Joseph for 100 years by supporting nonprofits such as United Way, UCP, YWCA, YMCA, Sertoma, Boy Scouts, and Girl Scouts through volunteerism and fundraising. CBIZ is also involved in a ''Dress for Success'' initiative, which will help provide business attire to women trying to enter or advance in the business world. This program will include partnering with nonprofits that currently assist with clothing needs in our community.

On a national level, CBIZ supports achievement by women through the Women's Advantage program, which celebrates women business professionals inside and outside their organization. This program provides training by women for women in the areas of personal and professional communication, organization, and influence skills through focused leadership, mentoring, and networking training. Currently 125 women in nine pilot locations participate in the program. Locally, the current Vice President has worked her way up from a clerical/filing position and has provided support and encouragement to several other women seeking advancement.

Madam Speaker, I proudly ask you to join me in recognizing CBIZ Insurance Services, Inc. They are a tremendous asset to the St. Joseph community and I am honored to represent such a business in the United States Congress.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S5771–S5920

Measures Introduced: Fifteen bills and one resolution were introduced, as follows: S. 3158–3172, and S. Res. 596. **Pages S5832–33**

Measures Reported:

Special Report entitled ''Allocation to Subcommittees of Budget Totals From the Concurrent Resolution, Fiscal Year 2008''. (S. Rept. No. 110–392)

Special Report entitled ''Allocation to Subcommittees of Budget Totals From the Concurrent Resolution, Fiscal Year 2009''. (S. Rept. No. 110–393) **Page S5832**

Measures Passed:

Deficit Reduction Act: Senate passed S. 2607, to make a technical correction to section 3009 of the Deficit Reduction Act of 2005, after agreeing to the following amendment proposed thereto: **Page S5915**

Dodd (for Inouye/Stevens) Amendment No. 5014, to provide for additional consumer outreach and education concerning the digital television transition. **Page S5915**

NASA 50th Anniversary Commemorative Coin Act: Committee on Banking, Housing, and Urban Affairs was discharged from further consideration of S. 2159, to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration, and the bill was then passed, after agreeing to the following amendment proposed thereto: **Pages S5915–17**

Dodd/Shelby Amendment No. 5015, to extend the period during which the coins may be minted and issued. **Page S5915**

Measures Considered:

Renewable Energy and Job Creation Act: Senate continued consideration of the motion to proceed to consideration of H.R. 6049, to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief. **Pages S5772–75**

New Direction for Energy Independence, National Security, and Consumer Protection Act and the Renewable Energy and Energy Conservation Tax Act: Senate began consideration of the motion to concur in the amendments of the House of Representatives to the amendments of the Senate to H.R. 3221, to provide needed housing reform, taking action on the following amendments proposed thereto: **Pages S5775–S5819**

Rejected:

By 11 yeas to 77 nays, and 1 voting present (Vote No. 152), Bond Modified Amendment No. 4986 (to Amendment No. 4983), to clarify that GSEs have no responsibility for funding housing entities under the Affordable Housing program. **Pages S5783–85, S5807–09, S5811–12**

Withdrawn:

By 11 yeas to 70 nays, 5 responding present (Vote No. 154), Bunning Motion to Refer the House Message on the bill to the Committee on Banking, Housing, and Urban Affairs, with instructions. (A unanimous-consent agreement was reached providing that the motion, having failed to achieve 60 affirmative votes, be withdrawn.) **Pages S5814–17**

Pending:

Reid (for Dodd/Shelby) Amendment No. 4983 (to the House Amendment striking section 1 through Title V and inserting certain language to the Senate amendment to the bill), of a perfecting nature. **Pages S5776–S5817**

Bond Amendment No. 4987 (to Amendment No. 4983), to enhance mortgage loan disclosure requirements with additional safeguards for adjustable rate mortgages with an initial fixed rate and loans that contain prepayment penalty. **Pages S5782–83**

Dole Amendment No. 4984 (to Amendment No. 4983), to improve the regulation of appraisal standards. **Pages S5785–99, S5807**

Sununu Amendment No. 4999 (to Amendment No. 4983), to amend the United States Housing Act of 1937 to exempt qualified public housing agencies from the requirement of preparing an annual public housing agency plan. **Pages S5799–S5804**

Kohl Amendment No. 4988 (to Amendment No. 4983), to protect the property and security of homeowners who are subject to foreclosure proceedings.

Page S5804

During consideration of this measure today, Senate also took the following action:

By 21 yeas to 69 nays (Vote No. 153), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to waive section 201 of S. Con. Res. 21, FY08 Congressional Budget Resolution, with respect to Bond Amendment No. 4985 (to Amendment No. 4983), to strike provisions relating to the HOPE for Homeowners Program. Subsequently, the pay-as-you-go point of order that the amendment would cause or increase an on-budget deficit for either of the applicable time periods set out in S. Con. Res. 21, was sustained, and the amendment thus fell.

Pages S5781–82, S5808, S5809–11, S5812

A unanimous-consent agreement was reached providing for further consideration of the motion to concur in the amendments of the House of Representatives to the amendments of the Senate to the bill at approximately 9:30 a.m., on Friday, June 20, 2008. **Pages S5917–18**

Nominations Received: Senate received the following nominations:

Richard G. Olson, Jr., of New Mexico, to be Ambassador to the United Arab Emirates.

Brent R. Orrell, of Virginia, to be an Assistant Secretary of Labor.

Diane Barone, of Nevada, to be a Member of the National Institute for Literacy Advisory Board for a term expiring January 30, 2011.

Mary E. Curtis, of Massachusetts, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2011.

J. Patrick Rowan, of Maryland, to be an Assistant Attorney General.

Gregory G. Garre, of Maryland, to be Solicitor General of the United States.

Michael O'Neill, of Maryland, to be United States District Judge for the District of Columbia.

Jeffrey Adam Rosen, of Virginia, to be United States District Judge for the District of Columbia.

Routine lists in the Air Force, Army, Navy.

Pages S5918–20

Messages from the House: **Page S5829**

Measures Referred: **Page S5829**

Measures Placed on the Calendar: **Page S5829**

Executive Communications: **Pages S5829–30**

Petitions and Memorials: **Pages S5830–32**

Additional Cosponsors: **Page S5833–34**

Statements on Introduced Bills/Resolutions: **Pages S5834–39**

Additional Statements: **Pages S5827–29**

Amendments Submitted: **Pages S5839–S5914**

Authorities for Committees to Meet: **Pages S5914–15**

Privileges of the Floor: **Page S5915**

Record Votes: Three record votes were taken today. (Total—154) **Pages S5812, S5817**

Recess: Senate convened at 9:30 a.m. and recessed at 7:04 p.m., until 9:30 a.m. on Friday, June 20, 2008. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on pages S5917–18.)

Committee Meetings

(Committees not listed did not meet)

BUSINESS MEETING

Committee on Appropriations: Committee ordered favorably reported the following:

An original bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2009; and

An original bill making appropriations for Commerce, Justice, Science, and related agencies for the fiscal year ending September 30, 2009.

Also, Committee approved its 302(b) subcommittee allocations of budget outlays and new budget authority allocated to the Committee in S. Con. Res. 70, setting forth the congressional budget for the United States Government for fiscal year 2009 and including the appropriate budgetary levels for fiscals years 2008 and 2010 through 2013.

RISK MANAGEMENT

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Securities, Insurance, and Investment concluded a hearing to examine risk management, focusing on its implications for systemic risk at large financial institutions, after receiving testimony from Donald L. Kohn, Board of Governors of the Federal Reserve System; Erik Sirri, Director, Division of Trading and Markets, U.S. Securities and Exchange Commission; Scott M. Polakoff, Senior Deputy Director and Chief Operating Officer, Office of Thrift Supervision; Richard Bookstaber, Bridgewater Associates, New York, New York; and Richard J. Herring, University of Pennsylvania Wharton School, and Kevin M. Blakely, Risk Management Association, both of Philadelphia, Pennsylvania.

CRUISE SHIP SAFETY

Committee on Commerce, Science, and Transportation: Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security concluded a hearing to examine cruise ship safety, focusing on potential steps for keeping Americans safe at sea, after receiving testimony from Kendall Carver, International Cruise Victims Association, Inc., Phoenix, Arizona; Terry Dale, Cruise Lines International Association, Inc., Fort Lauderdale, Florida; Evelyn Fortier, Rape Abuse and Incest National Network (RAINN), Washington, D.C.; and Ross A. Klein, Memorial University of Newfoundland, St. John's College, St. John's, Newfoundland and Labrador, Canada.

NOMINATIONS

Committee on Foreign Relations: Committee concluded a hearing to examine the nominations of James Culbertson, of North Carolina, to be Ambassador to the Kingdom of the Netherlands, who was introduced by Senators Dole and Burr, David F. Girard-diCarlo, of Pennsylvania, to be Ambassador to the Republic of Austria, who was introduced by Senator Specter, Kristen Silverberg, of Texas, to be Representative of the United States of America to the European Union, with the rank and status of Ambassador, who was introduced by Senator Cornyn, John R. Beyrle, of Michigan, to be Ambassador to the Russian Federation, who was introduced by Senator Levin, Asif J. Chaudhry, of Washington, to be Ambassador to the Republic of Moldova, Tina S. Kaidanow, of the District of Columbia, to be Ambassador to the Republic of Kosovo, Philip Thomas Reeker, of the District of Columbia, to be Ambassador to the Republic of Macedonia, and Marie L. Yovanovitch, of Connecticut, to be Ambassador to the Republic of Armenia, who was introduced by former Senator Robert J. Dole, after the nominees testified and answered questions in their own behalf.

FEDERAL PROTECTIVE SERVICE MANAGEMENT

Committee on Homeland Security and Governmental Affairs: Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia concluded a hearing to examine management challenges facing the Federal Protective Service, focusing on a recent report from the Government Accountability Office, after receiving testimony from Gary W. Schenkel, Director, Federal Protective Service, United States Immigration and Customs Enforcement, Department of Homeland Security; Mark L. Goldstein, Director, Physical Infrastructure Issues, Government Accountability Office; and David L. Wright, Federal Protective Service Union, AFGE, Excelsior Springs, Missouri.

MINER ACT

Committee on Health, Education, Labor, and Pensions: Subcommittee on Employment and Workplace Safety concluded a hearing to examine the efficacy of the Mine Improvement and New Emergency Response Act (MINER)(Public Law 109–236), focusing on a two year review of mine safety, after receiving testimony from Senator Rockefeller; Richard E. Stickler, Acting Assistant Secretary of Labor, Mine Safety and Health Administration; Jeffery Kohler, Associate Director for Mine Safety and Health Research, National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention, Department of Health and Human Services; Dennis O'Dell, United Mine Workers of America, Fairfax, Virginia; and Bruce Watzman, National Mining Association, Washington, D.C.

BUSINESS MEETING

Committee on Indian Affairs: Committee ordered favorably reported the following:

S. 1255, to protect Indian arts and crafts through the improvement of applicable criminal proceedings, with an amendment;

S. 531, to repeal section 10(f) of Public Law 93–531, commonly known as the "Bennett Freeze";

S. 1080, to develop a program to acquire interests in land from eligible individuals within the Crow Reservation in the State of Montana;

S. 2489, to enhance and provide to the Oglala Sioux Tribe and Angostura Irrigation Project certain benefits of the Pick-Sloan Missouri River basin program;

S. 160, to provide for compensation to the Lower Brule and Crow Creek Sioux Tribes of South Dakota for damage to tribal land caused by Pick-Sloan projects along the Missouri River; and

S. 2494, to provide for equitable compensation to the Spokane Tribe of Indians of the Spokane Reservation for the use of tribal land for the production of hydropower by the Grand Coulee Dam, with an amendment.

LAW AND ORDER IN INDIAN COUNTRY

Committee on Indian Affairs: Committee concluded a hearing to examine an original bill to amend the Indian Law Enforcement Reform Act, the Indian Tribal Justice Act, the Indian Tribal Justice Technical and Legal Assistance Act of 2000, and the Omnibus Crime Control and Safe Streets Act of 1968 to improve the prosecution of, and response to, crimes in Indian country, after receiving testimony from Senator Thune; Gretchen C.F. Shappert, United States

Attorney, Western District of North Carolina, Department of Justice; Pat Ragsdale, Director, Office of Justice Services, Indian Affairs, Department of the Interior; Ron His Horse Is Thunder, Standing Rock Sioux Tribe, Fort Yates, North Dakota; Joe A. Garcia, National Congress of American Indians, and Walter E. Lamar, Lamar Associates, both of Washington, D.C.; and Kelly Gaines Stoner, Oklahoma City University School of Law, Oklahoma City, Oklahoma.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to the call.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 23 public bills, H.R. 6304–6326; and 6 resolutions, H. Con. Res. 374; and H. Res. 1284, 1286–1289 were introduced. **Pages H5728–29**

Additional Cosponsors: **Pages H5729–31**

Reports Filed: Reports were filed today as follows:

H. Res. 1284, providing for consideration of the Senate amendments to the House amendments 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 (H. Rept. 110–720);

H. Res. 1285, providing for consideration of the bill (H.R. 6304) to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence (H. Rept. 110–721);

H.R. 2818, to amend title 38, United States Code, to provide for the establishment of Epilepsy Centers of Excellence in the Veterans Health Administration of the Department of Veterans Affairs, with amendments (H. Rept. 110–722);

H.R. 2452, to amend the Federal Water Pollution Control Act to ensure that sewage treatment plants monitor for and report discharges of raw sewage, with an amendment (H. Rept. 110–723);

H.R. 5001, to authorize the Administrator of General Services to provide for the redevelopment of the Old Post Office Building located in the District of Columbia, with an amendment (H. Rept. 110–724); and

H.R. 6109, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the pre-disaster hazard mitigation program (H. Rept. 110–725). **Page H5728**

Speaker: Read a letter from the Speaker wherein she appointed Representative Tauscher to act as Speaker Pro Tempore for today. **Page H5583**

Chaplain: The prayer was offered by the guest Chaplain, Rev. Thomas A. Rhodes, Mount Olive Lutheran Church, Folsom, California. **Page H5583**

Waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules: The House agreed to H. Res. 1281, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, by voice vote, after agreeing to order the previous question. **Page H5592**

Suspensions—Proceedings Resumed: The House agreed to suspend the rules and pass the following measures which were debated on Tuesday, June 17th:

Eastern New Mexico Rural Water System Authorization Act: H.R. 5710, to authorize the Secretary of the Interior to provide financial assistance to the Eastern New Mexico Rural Water Authority for the planning, design, and construction of the Eastern New Mexico Rural Water System, by ⅔ yea-and-nay vote of 301 yeas to 124 nays, Roll No. 425; **Page H5594**

Leadville Mine Drainage Tunnel Remediation Act of 2008: H.R. 5511, amended, to direct the Secretary of the Interior, acting through the Bureau of Reclamation, to remedy problems caused by a collapsed drainage tunnel in Leadville, Colorado; and **Page H5595**

Congratulating and recognizing Mr. Juan Antonio "Chi-Chi" Rodriguez for his continued success on and off of the golf course, for his generosity and devotion to charity, and for his exemplary dedication to the intellectual and moral growth of thousands of low-income and disadvantaged youth in our country: Res. 1029, amended, to congratulate

and recognize Mr. Juan Antonio "Chi-Chi" Rodriguez for his continued success on and off of the golf course, for his generosity and devotion to charity, and for his exemplary dedication to the intellectual and moral growth of thousands of low-income and disadvantaged youth in our country, by a ⅔ yea-and-nay vote of 415 yeas with none voting "nay", Roll No. 433. **Page H5705**

Agreed to amend the title so as to read: "Congratulating and recognizing Mr. Juan Antonio 'Chi-Chi' Rodriguez for his continued success on and off of the golf course.". **Page H5705**

Oath of Office—Fourth Congressional District of Maryland: Representative-elect Donna Edwards presented herself in the well of the House and was administered the Oath of Office by the Speaker. Earlier, the Clerk of the House transmitted a facsimile copy of a letter from Ms. Linda H. Lamone, Administrator, Maryland State Board of Elections, indicating that, according to the unofficial returns of the Special Election held on June 17, 2008, the Honorable Donna Edwards was elected Representative to Congress for the Fourth Congressional District, State of Maryland. **Pages H5607–08**

Whole Number of the House: The Speaker announced to the House that, in light of the administration of the oath to the gentlewoman from Maryland, Ms. Donna Edwards, the whole number of the House is adjusted to 435. **Page H5608**

Federal Employees Paid Parental Leave Act of 2008: The House passed H.R. 5781, to provide that 8 of the 12 weeks of parental leave made available to a Federal employee shall be paid leave, by a yea-and-nay vote of 278 yeas to 146 nays, Roll No. 428. **Pages H5595–H5607, H5608–11**

Rejected the Jordan (OH) motion to recommit the bill to the Committee on Oversight and Government Reform with instructions to report the same back to the House promptly with amendments, by a yea-and-nay vote of 206 yeas to 220 nays, Roll No. 427. **Pages H5608–10**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Oversight and Government Reform now printed in the bill shall be considered as adopted. **Page H5596**

Accepted:

Davis (IL) manager's amendment (No. 1 printed in H. Rept. 110–718) that makes certain technical and conforming changes to the bill, strikes a requirement for a study by the Government Accountability Office, and makes section 4 not effective with respect to births or placements occurring within 6 months of the enactment of the Act (by a yea-and-nay vote of 422 yeas with none voting "nay", Roll No. 426). **Pages H5605–07**

Agreed that the Clerk be authorized to make technical and conforming changes to reflect the actions of the House. **Page H5622**

H. Res. 1277, the rule providing for consideration of the bill, was agreed to by a recorded vote of 230 ayes to 194 noes, Roll No. 424, after agreeing to order the previous question by a yea-and-nay vote of 222 yeas to 197 nays, Roll No. 423. **Pages H5587–92, H5593–94**

Recess: The House recessed at 2:41 p.m. and reconvened at 5:08 p.m. **Page H5611**

Suspension Proceedings Resumed: The House agreed to suspend the rules and agree to the following measure which was debated on Wednesday, June 18th:

Condemning postelection violence in Zimbabwe and calling for a peaceful resolution to the current political crisis: H. Res. 1230, amended, to condemn postelection violence in Zimbabwe and calling for a peaceful resolution to the current political crisis, by a ⅔ yea-and-nay vote of 412 yeas to 1 nay, Roll No. 430. **Pages H5621–22**

Supplemental Appropriations Act, 2008: The House agreed to the Senate amendments to the House amendments to the Senate amendment with an amendment, made in order by the rule and printed in H. Rept. 110–720, to H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008. **Pages H5622–H5705**

On a division of the question, the House agreed to the Senate amendment to House amendment No. 1 to the Senate amendment, by a yea-and-nay vote of 268 yeas to 155 nays, Roll No. 431. **Pages H5646–H5704**

On a division of the question, the House agreed to the Senate amendment to House amendment No. 2 to the Senate amendment, with an amendment, by a recorded vote of 416 ayes to 12 noes, Roll No. 432. **Pages H5646–H5705**

H. Res. 1284, the rule providing for consideration of the Senate amendments to the House amendments to the Senate amendment to the bill, was agreed to by a yea-and-nay vote of 342 yeas to 83 nays, Roll No. 429, after agreeing to order the previous question. **Pages H5611–21**

Quorum Calls—Votes: Nine yea-and-nay votes and two recorded votes developed during the proceedings of today and appear on pages H5593, H5593–94. H5594, H5606–07, H5609–10, H5610–11, H5621, H5621–22, H5703–04, H5704–05, and H5705. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 11:40 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS FISCAL YEAR 2008

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies approved for full Committee action the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations for Fiscal Year 2009.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED APPROPRIATIONS FISCAL YEAR 2009

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education, and Related Agencies approved for full Committee action the Labor, Health and Human Services, Education, and Related Agencies Appropriations for Fiscal Year 2009.

WORKPLACE INJURIES AND ILLNESSES—UNDERREPORTING

Committee on Education and Labor: Held a hearing on Hidden Tragedy: Underreporting of Workplace Injuries and Illnesses. Testimony was heard from: John Ruser, Assistant Commandant, Safety and Health Statistics, Bureau of Labor Statistics, Department of Labor; Bob Whitmore, former Chief, OSHA Division of Recordkeeping, Department of Labor; and public witnesses.

STATE OF THOROUGHBRED RACING

Committee on Energy and Commerce: Subcommittee on Commerce, Trade, and Consumer Protection held a hearing entitled ''Breeding, Drugs, and Breakdowns: The State of Thoroughbred Horseracing and the Welfare of the Thoroughbred Racehorse.'' Testimony was heard from public witnesses.

GREENHOUSE GAS EMISSIONS REDUCTION

Committee on Energy and Commerce: Subcommittee on Energy and Air Quality held a hearing entitled ''Legislative Proposals to Reduce Greenhouse Gas Emissions: An Overview.'' Testimony was heard from Douglas P. Scott, Director, Environmental Protection Agency, State of Illinois; and public witnesses.

AFFORDABLE HOUSING PRESERVATION

Committee on Financial Services: Held a hearing entitled ''Affordable Housing and Preservation and Protection of Tenants.'' Testimony was heard from John L. Garvin, Deputy Assistant Secretary, Multi-Family Housing Programs and Senior Advisor to the Federal Housing Commissioner, Department of Housing and Urban Development; Shaun Donovan, Commissioner, Department of Housing Preservation and Development, City of New York; Clarence Snuggs, Deputy Secretary, Department of Housing and Community Development, State of Maryland; and public witnesses.

SCHOLARSHIPS FOR UNDERGRADUATES FROM DEVELOPING COUNTRIES

Committee on Foreign Affairs: Subcommittee on International Organizations, Human Rights, and Oversight and the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness of the Committee on Education and Labor held a joint hearing on Restoring America's Leadership through Scholarships for Undergraduates from Developing Countries: The Uniting Students in America (USA) Proposal. Testimony was heard from George Scott, Director, Education, Workforce, and Income Security Team, GAO; and public witnesses.

INTERNATIONAL GENETICS REGULATIONS

Committee on Foreign Affairs: Subcommittee on Terrorism, Nonproliferation and Trade held a hearing on Genetics and other Human Modification Technologies: Sensible International Regulation of New Kind of Arms Race. Testimony was heard from public witnesses.

FALSE CLAIMS ACT CORRECTION ACT

Committee on the Judiciary: Subcommittee on Courts, the Internet and Intellectual Property and the Subcommittee on Commercial and Administrative Law held a joint hearing on H.R. 4854, False Claims Act Correction Act. Testimony was heard from public witnesses.

OVERSIGHT—UTAH NAVAJO TRUST FUND

Committee on Natural Resources: Held an oversight hearing on Utah Navajo Trust Fund. Testimony was heard from Ross O. Swimmer, Special Trustee for American Indians, Department of the Interior; Tani Pack Downing, Deputy Chief of Staff and General Counsel, Office of the Governor, State of Utah; and public witnesses.

JUSTICE DEPARTMENT—GRANTMAKING PRACTICES

Committee on Oversight and Government Reform: Held a hearing on Examining Grantmaking Practices at the Department of Justice. Testimony was heard from J. Robert Flores, Administrator, Office of Juvenile Justice and Delinquency Prevention, Office of Justice Programs, Department of Justice.

FISA ACT AMENDMENTS OF 2008

Committee on Rules: Committee granted, by a nonrecord vote, a closed rule providing for consideration of H.R. 6304, the ''FISA Amendments Act of 2008.'' The rule provides for 1 hour of debate equally divided among and controlled by the chairman and ranking minority member of the Committee on the Judiciary and the chairman and ranking minority member of the Permanent Select Committee on Intelligence.

The rule waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI. The rule provides that the bill shall be considered as read. The rule waives all points of order against provisions of the bill. The rule provides one motion to recommit with or without instructions. Finally, the rule permits the Chair, during consideration of the bill, to postpone further consideration of it to a time designated by the Speaker. Testimony was heard from Chairman Reyes and Representative Jackson-Lee of Texas.

SUPPLEMENTAL APPROPRIATIONS FY 2008—PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO HOUSE AMENDMENTS TO SENATE AMENDMENT

Committee on Rules: Committee granted, by a nonrecord vote, a rule providing for consideration of the Senate amendments to the House amendments to the Senate amendment to the bill (H.R. 2642), the ''Supplemental Appropriations Act, 2008.'' The rule would make in order a motion offered by the chairman of the Committee on Appropriations that the House (1) concur in the Senate amendment to the House amendment numbered 1 and (2) concur in the Senate amendment to the House amendment numbered 2 with the amendment printed in the Rules Committee report.

The rule waives all points of order against the motion except those arising under clause 10 of rule XXI. The motion shall be debatable for 1 hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The Senate amendment and the motion shall be considered as read. The Chair shall divide the question between the dispositions of the two Senate amendments.

Notwithstanding the operation of the previous question, the Chair may postpone consideration of the motion to a time designated by the Speaker. The rule permits the chairman of the Committee on Appropriations to insert in the Congressional Record dated June 19, 2008, such material as he may deem explanatory of the motion.

The rule provides that it shall be in order to consider a concurrent resolution providing for the adjournment of the House and Senate during the month of July. Testimony was heard from Chairman Obey and Representatives Woolsey, Lee and Shays.

FEDERAL WEATHER SATELLITE PROGRAM

Committee on Science and Technology: Subcommittee on Energy and Environment held a hearing on an Insecure Forecast for Continuity of Climate and Weather Data: The NPOESS Weather Satellite Program. Testimony was heard from David Powner, Director, Information Technology Management Issues, GAO; VADM Conrad C. Lautenbacher, Jr., USN (Ret.), Under Secretary, Oceans and Atmosphere and Administrator, NOAA, Department of Commerce.

SMALL BUSINESS EXPORTS

Committee on Small Business: Held a hearing entitled ''Small Business Exports in the Current Economic Climate.'' Testimony was heard from public witnesses.

FEDERAL MARITIME COMMISSION INTERNATIONAL REGULATIONS

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard, and Maritime Transportation held a hearing on Federal Maritime Commission Management and Regulation of International Shipping. Testimony was heard from the following Commissioners of the Federal Maritime Commission: Rebecca F. Dye; Joseph E. Brennan; and Harold J. Creel, Jr., and public witnesses.

MISSISSIPPI REDEVELOPMENT

Committee on Transportation and Infrastructure: Subcommittee on Economic Opportunity held a hearing on Moving Mississippi Forward: Ongoing Progress and Remaining Problems. Testimony was heard from Representatives Taylor, Thompson of Mississippi, and Pickering; Sidney Melton, Director, Mississippi Transitional Recovery Office, FEMA, Department of Homeland Security; Michael Womack, Director, Emergency Management Agency, States of Mississippi; and public witnesses.

VETERANS MEASURES

Committee on Veterans Affairs: Held a hearing on the following bills: H.R. 2721, to amend title 10. United States Code, to require the Secretary of Veterans Affairs to develop, and the Secretary of Defense to distribute to members of the Armed Forces upon their discharge or release from active duty, information in a compact disc read-only memory format that lists and explains the health, education, and other benefits for which veterans are eligible under the laws administered by the Secretary of Veterans; H.R. 2786, Servicemembers Telecom Contract Relief Act; H.R. 6070, Military Spouses Residency Relief Act;

H.R. 4255, United States Olympic Committee Paralympic Program Act of 2007; H.R. 6221, Veteran-Owned Small Business Protection and Clarification Act of 2008; H.R. 6224, Pilot College Work Study Programs for Veterans Act of 2008; H.R. 6225, Injunctive Relief for Veterans Act of 2008; and H.R. 6272, To authorize discretionary appropriations to carry out the Service Members Occupational Conversion and Training Act of 1992, Testimony was heard from Representatives Filner, Zoe Lofgren of California, Cardoza, Carter, and Welch of Vermont; R. Keith Pedigo, Associate Deputy Under Secretary, Policy and Program Management, Veterans Benefits Administration, Department of Veterans Affairs; representatives of veterans organizations; and public witnesses.

ECONOMIC STIMULUS PAYMENTS STATUS

Committee on Ways and Means: Subcommittee on Oversight, and the Subcommittee on Social Security held a joint hearing on Economic Stimulus Payments. Testimony was heard from the following officials of the IRS, Department of the Treasury: Douglas H. Shulman, Commissioner; and Nina E. Olson, National Taxpayer Advocate; and Linda McMahon. Deputy Commissioner, Operations, SSA.

BRIEFING—HOT SPOTS

Permanent Select Committee on Intelligence: Subcommittee on Terrorism, Human Intelligence, Analysis and Counterintelligence met in executive session to receive a briefing on Hot Spots. The Subcommittee was briefed by departmental witnesses.

Joint Meetings

ILLEGAL DRUGS

Joint Economic Committee: Committee concluded a hearing to examine the drug policy of the United States, focusing on the economic impact, societal costs, and policy responses, after receiving testimony from Peter Reuter, University of Maryland School of Public Policy and Department of Criminology, College Park; John M. Walsh, Washington Office on Latin America, Washington, D.C.; and Anne J. Swern and Norma Fernandes, both of Kings County, Brooklyn, New York.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D709)*

H.R. 6081, to amend the Internal Revenue Code of 1986 to provide benefits for military personnel. Signed on June 17, 2008. (Public Law 110–245)

H.R. 6124, to provide for the continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2012. Signed on June 18, 2008. (Public Law 110–246)

COMMITTEE MEETINGS FOR FRIDAY, JUNE 20, 2008

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Homeland Security and Governmental Affairs: to hold hearings to examine the nomination of Elaine C. Duke, of Virginia, to be Under Secretary for Management, Department of Homeland Security, 10 a.m., SD–342.

House

Committee on Appropriations, Subcommittee on Transportation, Housing and Urban Development, and Related Agencies, to mark up Transportation, Housing and Urban Development, and Related Agencies Appropriations for Fiscal Year 2009, 9 a.m., 2358 Rayburn.

Committee on Financial Services, Subcommittee on Housing and Community Opportunity, hearing on H.R. 5772, Frank Melville Supportive Housing Investment Act of 2008, 10 a.m., 2128 Rayburn.

Committee on the Judiciary, hearing on Revelations by former White House Press Secretary Scott McClellan, 9:30 a.m., 2141 Rayburn.

Committee on Oversight and Government Reform, to consider a resolution and report recommending to the House that Stephen L. Johnson. Administrator of EPA and Susan E. Dudley, Administrator of the Information and Regulatory Affairs in OMB, be cited for contempt of Congress. 10 a.m., 2154 Rayburn.

Next Meeting of the SENATE

9:30 a.m., Friday, June 20

Senate Chamber

Program for Friday: Senate will continue consideration of the motion to concur in the amendments of the House of Representatives to the amendments of the Senate to H.R. 3221, New Direction for Energy Independence, National Security, and Consumer Protection Act and the Renewable Energy and Energy Conservation Tax Act.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Friday, June 20

House Chamber

Program for Friday: To be announced.

Extensions of Remarks, as inserted in this issue

HOUSE

Berman, Howard L., Calif., E1275
Bishop, Rob, Utah, E1294
Blunt, Roy, Mo., E1283
Bordallo, Madeleine Z., Guam, E1288
Brady, Robert A., Pa., E1282, E1289
Burgess, Michael C., Tex., E1283
Childers, Travis W., Miss., E1290
Courtney, Joe, Conn., E1284
Delahunt, William D., Mass., E1276
Dingell, John D., Mich., E1281
Drake, Thelma D., Va., E1278, E1281, E1286
Edwards, Chet, Tex., E1278
Eshoo, Anna G., Calif., E1278
Frank, Barney, Mass., E1280
Gallegly, Elton, Calif., E1282
Graves, Sam, Mo., E1286, E1287, E1289, E1290, E1293, E1294, E1295
Green, Gene, Tex., E1288
Hastings, Alcee L., Fla., E1279, E1293
Hinchey, Maurice D., N.Y., E1290
Holt, Rush D., N.J., E1291, E1295
Hooley, Darlene, Ore., E1288
Hoyer, Steny H., Md., E1279
King, Steve, Iowa, E1283
Lewis, John, Ga., E1287
McCollum, Betty, Minn., E1283
Mahoney, Tim, Fla., E1277
Markey, Edward J., Mass., E1292
Marshall, Jim, Ga., E1285
Miller, Jeff, Fla., E1286
Murphy, Christopher S., Conn., E1285
Murtha, John P., Pa., E1279
Norton, Eleanor Holmes, D.C., E1284
Oberstar, James L., Minn., E1283
Paul, Ron, Tex., E1281, E1291
Pelosi, Nancy, Calif., E1275
Pence, Mike, Ind., E1290
Poe, Ted, Tex., E1290
Rahall, Nick J., II, W.Va., E1287
Rogers, Mike, Ala., E1281
Ros-Lehtinen, Ileana, Fla., E1285
Ruppersberger, C.A. Dutch, Md., E1277
Rush, Bobby L., Ill., E1277
Sherman, Brad, Calif., E1288, E1293
Shimkus, John, Ill., E1280
Shuler, Heath, N.C., E1293
Udall, Mark, Colo., E1282, E1289
Walberg, Timothy, Mich., E1279
Wilson, Heather, N.M., E1277
Wolf, Frank R., Va., E1275, E1286

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